

24 October 2018

Dear Shareholder

Share Purchase Plan

On behalf of the board of Over the Wire Holdings Limited ACN 151 872 730 (ASX: OTW) (**Over the Wire** or **Company**), we are pleased to offer you the opportunity to purchase up to \$15,000 in additional shares in Over the Wire under this Share Purchase Plan (**SPP**).

The SPP will be available to shareholders who are on the Company register at 6.00pm (Sydney time) on 17 October 2018 (**Record Date**), and having a registered address in Australia or New Zealand (**Eligible Shareholders**).

The SPP gives Eligible Shareholders the opportunity to purchase additional shares in Over the Wire at \$4.30 per share, which represents a discount of 6% to the 10 day VWAP in the period to 16 October 2018. There are no transaction costs or brokerage costs to participating shareholders.

Included with this letter is the following material which aims to address any questions you may have about the SPP:

- (a) an investment overview, which includes details on pricing, the timetable, intended use of funds and key risks of an investment in the Company;
- (b) an investor presentation;
- (c) SPP terms; and
- (d) an application form.

Information about Over the Wire is available at www.overthewire.com.au, which should be considered in conjunction with the Company's continuous disclosure to ASX.

The SPP will close on 13 November 2018 at 5.00pm (Sydney time). If you wish to participate in the SPP your application must be received by the closing date. Over the Wire reserves its right to close the SPP early.

The Board encourages you to consider this opportunity and thanks you for your continued support.

Yours faithfully



Mike Stabb

Company Secretary

Over the Wire investment overview

Offer details

Issue Price	\$4.30 per share
Application Amount	Minimum of \$500 (Minimum Application Amount) with staged increments of \$500, \$5,000, \$10,000 and \$15,000 up to a maximum of \$15,000
Record Date	6.00pm (Sydney time) on 17 October 2018
Closing Date	5.00pm (Sydney time) on 13 November 2018
Allotment Date	19 November 2018
Quotation Date	20 November 2018

Intended use of funds

The proceeds raised from this SPP will be used to fund any deferred consideration payable for the acquisitions of Access Digital Networks and Comlinx, and for general working capital purposes.

See the Investor Presentation for further information.

Risks

Before making an investment decision, you should read the SPP terms set out below. Over the Wire considers that the major risks of an investment in Over the Wire include that:

- (a) Over the Wire operates in an intensely competitive landscape that is subject to rapid and significant change alongside a number of other telecommunications and IT service providers with competing offerings. If Over the Wire is significantly slower than its competitors to adapt to technological change, it could lead to a reduction in the use of its products and services. Any significant competition or failure to keep pace with technological change may adversely affect Over the Wire's ability to attract customers or meet its business objectives;
- (b) The Company's ability to maintain levels of customer numbers, or to increase the number of customers further, in applicable business sectors and geographical areas is likely to be subject to limits. There is a risk that one or more customers may terminate their contracts early or that, upon expiration of their existing contracts, they may choose not to renew arrangements with Over the Wire or that the subsequent terms may be less favourable to Over the Wire. Failure to maintain customer relationships or renew agreements could result in Over the Wire's revenues declining and operating results being materially and adversely affected;
- (c) Over the Wire is dependent on ongoing mutually beneficial relationships with such key suppliers. Termination or failure to renew agreements with such suppliers could impact on the provision of services by Over the Wire, which would be likely to have a material adverse effect on Over the Wire's operations and financial position. In addition, any change to applicable rates and charges by key suppliers could impact on Over the Wire's gross margin and profitability;
- (d) The ability to improve Over the Wire's existing products and services and develop new products and services is subject to risks inherent in the development process. Over the Wire's products and services may be shown to be ineffective, not capable for adaptation to its customer's

business, or unable to compete with superior or cheaper products or services marketed by third parties;

- (e) Over the Wire's business strategy includes commitment of substantial operational and financial resources to develop, lease and operate new data centres, and expand existing ones, which may be jeopardised if Over the Wire is unable to secure its current or future lease arrangements over its data centres;
- (f) Some of Over the Wire's success depends on its ability to protect its proprietary technology. It may be possible for a third party to copy or otherwise obtain and to use Over the Wire's software and products without authorisation, or develop similar software independently;
- (g) Whilst Over the Wire believes it is using proven technologies and has established systems to efficiently carry out its operations, the viability of its endeavours can be affected by force majeure circumstances, incompatibility of hardware or software with customer systems, market access constraints, cost overruns, the performance of associated parties or unforeseen claims and events;
- (h) Computer viruses, fire and other natural disasters, break-ins, or a failure of power supply, information systems, hardware, software or telecommunication systems or other catastrophic events could lead to interruption, delays or cessation in service to Over the Wire's customers. This may result in actual or consequential loss to Over the Wire; and
- (i) Over the Wire depends on the talent and experience of its staff as its primary asset. There may be a negative impact on Over the Wire if any of its key staff leave. It may be difficult to replace them, or to do so in a timely manner or at comparable expense. Additionally, any key staff of the Company who leave to work for a competitor may adversely impact the Company.

Past performance is not necessarily a guide to future performance of the Company.

Over the Wire Share Purchase Plan terms

How do I accept?

To participate, you should either:

- (a) return your application form, together with a cheque; or
- (b) pay the Application Amount via BPAY,

so that payment is received by **5.00pm (Sydney time) on 13 November 2018**.

BPAY instructions are set out on the application form. If you use BPAY, you do not need to return your application form. Please make sure you use the specific biller code and unique reference number on your personalised application form. Your financial institution may implement earlier cut-off times for electronic payment. You should take this into consideration when making payment.

If paying by cheque, use the reply paid envelope or deliver it to the address on the application form. Applications received after the Closing Date will not be accepted.

Funds received for applications by cheque or BPAY will be regarded as applications for the maximum number of shares that those funds will pay for in full.

Importantly, while participation in the plan is optional, once applications are submitted, they cannot be withdrawn.

The Company's market price may vary at any time during the offer period and the Company's shares may trade at a price that is lower than the Issue Price.

By accepting the SPP offer, you accept the risk that the market price of the Company's shares may fall below the Issue Price between the date of this offer and the Allotment Date, in which case you may have been able to buy the Shares at a lower price than the Issue Price.

By making an application, you represent to the Company the matters set out under the heading 'Your representations' in these terms and in the application form.

How many shares

Eligible Shareholders receive the number of shares equal to the Application Amount (subject to any scale-back) divided by the Issue Price. Fractions will be rounded down, and the difference (being any amount less than the Issue Price) may be retained by the Company.

The Issue Price does not exceed the limit prescribed by the ASX Listing Rules and ASIC Class Order 09/425.

Shares issued under the SPP may be sold or transferred on ASX at any time after the Quotation Date.

Eligibility to participate

Participation in the SPP is optional. The offer is open to all shareholders with a registered address in Australia or New Zealand as at the Record Date.

Multiple holdings

If you are the only registered holder of Company shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply in total for a maximum of \$15,000 worth of shares.

Joint holders

If you are a joint holder of Company shares, that holding is considered to be a single registered holding for the purpose of the SPP. You are entitled to participate in the SPP for that single holding only. If you are a joint holder and you receive more than one offer under the SPP, you may only apply in total for a maximum of \$15,000 worth of shares.

Trustee or nominee

If you are noted on the Company's share register as a trustee or nominee for a named beneficiary, you may only apply for one maximum parcel of shares for each named beneficiary. If the Company's share registry does not record a named beneficiary for your trustee or nominee holding, the rules for multiple single holdings apply.

Custodians

If you are a custodian within the definition of 'custodian' in ASIC Class Order 09/425 (as varied) and hold Company shares for one or more persons (each a **Participating Beneficiary**), or for another custodian of Company shares, you may apply for up to a maximum of \$15,000 worth of shares for each Participating Beneficiary, subject to providing the Company a 'custodian certificate' in addition to the application form, which certifies matters required by ASIC Class Order 09/425 (as varied).

Please contact the share registry to obtain the form of the custodian certificate.

Directors

Directors of the Company who are Eligible Shareholders may participate in the SPP.

Scale-back

The Company may, in its absolute discretion, scale-back applications under the SPP.

Factors that the Company may take into account in determining any scale-back include:

- (a) compliance with regulatory requirements;
- (b) the amount applied for by each shareholder;
- (c) the number of shares held at the Record Date; and
- (d) if the shareholder remains on the register at the Closing Date.

The Company may scale-back applications below the Minimum Application Amount. Scale-back decisions are made by the board and are final.

If a scale-back occurs, the difference between the value of the shares allotted and the Application Amount paid to the Company (only where the amount is greater than the Issue Price) will be refunded by cheque and mailed to you as soon as practicable following the Allotment Date. Any scale-back will be announced on the Allotment Date. No interest will be paid on any Application Amount paid or refunded.

ASX quotation

After shares are issued and allotted under the SPP, the Company will apply to ASX for quotation of the shares on the Official List and send an allotment notice to each Eligible Shareholder's registered address.

No costs

Eligible Shareholders may subscribe without incurring brokerage costs, commission or other transaction costs.

Who are the Joint Lead Managers?

The Joint Lead Managers for the SPP are Integra Advisory Partners and Morgans Corporate Limited.

The Joint Lead Manager will pay a stamping fee of 1.5% (plus any applicable GST) (**Broker Fees**) to stockbrokers (being those entities recognised as full service brokers or non-advisory brokers by ASX) (**Brokers**) who submit a valid claim for a Broker Fee on successful applications. The Broker Fee will be paid on behalf of Over the Wire from the fees paid to the Joint Lead Managers. Fees on eligible applications are capped at \$225 per application.

If Over the Wire undertakes a scale back or otherwise issues a lesser number of New Shares than applied for, the Broker Fee will only be payable on the value of the New Shares issued.

The Broker Fees will be payable to any Broker who submits a valid and duly completed claim form (**Claim Form**) to the Joint Lead Managers.

Brokers should contact Morgans Corporate Limited to obtain a Claim Form.

The Company's rights

The Company may reject any application for shares under the SPP if:

- (a) it considers that the application does not comply with these terms;
- (b) you are not an Eligible Shareholder;
- (c) a cheque is returned unpaid;
- (d) the application form has not been properly completed; or
- (e) there are grounds for believing that the applicant is not acting in good faith.

The Company may modify, suspend or cancel the SPP at any time. If the Company does this it will notify ASX. If the SPP is cancelled the Application Amount will be refunded without interest. Neither the Company nor the board accepts or assumes any liability to shareholders because of the variation, suspension or termination of SPP.

The Company may settle, at its discretion in any manner it deems fit, any anomalies or disputes in connection with the SPP and that decision is conclusive and binding on all applicants. The Company reserves the right to waive strict compliance with these terms.

Your representations

By completing and returning the application form or by making a BPAY payment, you:

- (a) certify to the Company that you are an Eligible Shareholder;
- (b) authorise the Company (and its officers and agents) to correct any error in, or omission from, your application form;
- (c) accept the risks of the delivery of any refund to you;
- (d) acknowledge that the Company may at its discretion determine that your application form is valid, even if the application form is invalid;
- (e) irrevocably and unconditionally agree to these terms; and
- (f) acknowledge that the Company is not liable for any exercise of its discretions referred to in these terms.

Other information

The Offer is non renounceable, which means that you cannot transfer your right to purchase shares under the SPP to anyone else. Shares issued under the SPP will rank equally in all respects with existing fully paid shares.

This document is not an offer of securities in any place outside Australia or New Zealand and does not take into account your individual investment objectives, financial situation or particular needs. An investment in the Company is speculative. Therefore, you should obtain independent financial and taxation advice before making an investment decision.



Over the Wire Holdings Limited
ABN 89 151 872 730

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1300 554 474
From outside Australia: +61 1300 554 474
ASX Code: OTW
Website: www.linkmarketservices.com.au

SRN/HIN:

Entitlement Number:

Record Date: 6.00pm (Sydney time)
on 17 October 2018

Offer Opens: 24 October 2018

Offer Closes
5.00pm (Sydney time): 13 November 2018

SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

How do I apply for Shares under this offer?

- Carefully read the SPP Terms and Conditions accompanying this form.
- Decide on the amount you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the Terms and Conditions Booklet and further important instructions on the reverse of this form.
 - Option 1: Paying by BPAY®.
 - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be in Australian dollars.

PAYMENT OPTIONS

Option 1: Paying by BPAY®

If paying by BPAY®, you do **NOT** need to complete or return the Acceptance Slip attached to this Application Form below. Payment must be received by the Registry by BPAY® by 5.00pm (Sydney time) on 13 November 2018. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your Application Payment.

If you make a payment by BPAY® and Over The Wire Holdings Limited receives an amount which is not equal to either A\$500, A\$5,000, A\$10,000 or A\$15,000, Over The Wire Holdings Limited may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$500.



Biller Code: 41301

Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au
© Registered to BPAY Pty Ltd ABN 69 079 137 518

Option 2: Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order, complete and return the Acceptance Slip attached to this Application Form with your Application Payment.

- Tick the box beside the amount you wish to apply for, either A\$500, A\$5,000, A\$10,000 or A\$15,000.
- Enter your cheque, bank draft or money order details. The amount of your Application Payment should be equal to the amount applied for in section A of the Acceptance Slip. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Over The Wire Holdings Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to either A\$500, A\$5,000, A\$10,000 or A\$15,000, Over The Wire Holdings Limited may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$500.
- Enter your contact telephone number at which we may contact you regarding your application for Shares, if necessary.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.

Please detach and enclose with payment

SRN/HIN:

Entitlement Number:



A I/we wish to purchase a parcel of Shares to the dollar amount of (tick one box only):

☐ A\$500 OR ☐ A\$5,000 OR ☐ A\$10,000 OR ☐ A\$15,000

B Make your cheque, bank draft or money order payable to "Over The Wire Holdings Limited" and crossed "Not Negotiable"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$.00

C Telephone Number – Business Hours Telephone Number – After Hours Contact Name

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IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase additional Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the Application Payment by BPAY® or you submit your Acceptance Slip with your Application Payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional Schedule that contains additional certifications and details that must be provided ("the Schedule") before your Application will be received. The Schedule can be obtained by contacting the Over The Wire Holdings Limited SPP Offer Information Line. Applications received by custodians that are not accompanied by the Schedule will be rejected.
6. For applicants that are not required to complete the Schedule, by submitting the Acceptance Slip (with a cheque, bank draft or money order) or making payment by BPAY®, you certify that the aggregate of the Application Payment paid by you for:
 - the parcel of New Shares indicated on this Application Form or BPAY® payment; and
 - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip or payment by BPAY® does not exceed A\$15,000.
7. Over The Wire Holdings Limited reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as Over The Wire Holdings Limited may scaleback applications in its discretion.

How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and Application Payment. No postage stamp is required if it is posted in Australia.

Acceptance Slip and the payment for New Shares must be received by the Registry no later than the closing date shown overleaf. If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Over The Wire Holdings Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

or

Hand Delivery

Over The Wire Holdings Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and Application Payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5.00pm (Sydney time) on 13 November 2018. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Over The Wire Holdings Limited reserves the right not to process any Acceptance Slips and Application Payments received after the Closing Date.

If you require information on how to complete this Acceptance Slip please contact your broker or financial adviser, legal adviser, the registry via email at capitalmarkets@linkmarketservices.com.au or Over The Wire Holdings Limited on 1300 689 689.