

XENITH IP GROUP LIMITED (ACN 607 873 209) ASX ANNOUNCEMENT

21 March 2019

ACCC review of proposed Xenith IP and QANTM IP merger

- **ACCC will not oppose the proposed merger between Xenith and QANTM**
- **Xenith's Board concluded that the IPH Proposal as presently framed is not a Superior Proposal**
- **Xenith's Board continues to view the proposed Xenith and QANTM merger to be in the best interests of Xenith shareholders and unanimously recommends that you vote in favour of the Scheme in the absence of a Superior Proposal**

Xenith IP Group Limited (**XIP** or **Xenith**) welcomes the announcement today by the ACCC that it will not oppose the proposed merger of equals between Xenith IP and QANTM Intellectual Property Limited (**QIP** or **QANTM**).

The ACCC has not yet made a decision in relation to IPH Ltd's (**IPH**) current 19.9% stake in Xenith, or its unsolicited offer to acquire Xenith (**IPH Proposal**). The ACCC announcement today included a statement that the Xenith-QANTM merger "should not be interpreted as suggesting a particular decision in the IPH-Xenith matter".

Xenith Chair, Sibylle Krieger said, "The ACCC's decision represents an important milestone in de-risking implementation of the proposed merger. The Board is committed to maximising shareholder value and, as such, in the absence of a Superior Proposal, it continues to support the proposed merger with QANTM."

"Shareholders will be aware of an unsolicited offer by IPH to acquire Xenith. As noted in a statement to the ASX on 19 March 2019, the Board has carefully considered the IPH Proposal in order to determine whether it is a Superior Proposal under the terms of the Scheme Implementation Deed for the Xenith merger with QANTM. The Xenith Board has concluded that the IPH Proposal as presently framed is not a Superior Proposal."

"On 20 March 2019, IPH sent a letter to Xenith shareholders and announced it to the ASX. Neither the letter nor its contents have been sanctioned by Xenith's Board, nor by the Federal Court of Australia or ASIC (unlike the Scheme Booklet) and the letter reflects IPH's views only. The IPH Proposal significantly undervalues Xenith under a change of control scenario, as their offer terms do not reflect a sufficient control premium. The IPH Proposal carries significantly more execution risk from an ACCC perspective."

"Xenith's Board urges its shareholders to disregard IPH's pre-filled proxy form (which contains errors) and unapproved shareholder contact number, and instead use the proxy form at the back of the Federal Court of Australia approved Scheme Booklet. Similarly, should Xenith shareholders have any queries, the Board encourages its shareholder to use the official Xenith FAQ hotline contained within the Scheme Booklet."

"Through each of the company's respective advisors, Xenith and IPH have commenced a dialogue with relation to the concerns as to why the IPH Proposal in its current form is not a Superior Proposal."

“Xenith’s Board continues to believe that the proposed Xenith and QANTM merger is in the best interests of Xenith shareholders and unanimously recommends that you vote in favour of the Scheme in the absence of a Superior Proposal.”

The full ACCC determination is available at <https://www.accc.gov.au/public-registers/mergers-registers/public-informal-merger-reviews/qantm-intellectual-property-ltd-xenith-ip-group-ltd>.

Shareholders have until 10.30am on 1 April 2019 to return their proxies to the Xenith registrar, or can vote in person at the Scheme Meeting on 3 April 2019, to be held at the Xenith offices at 60 Margaret Street, Sydney NSW 2000.

Shareholders can contact the official information hotline on 1300 346 808 or +61 3 9415 4140.

For further information

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About Xenith

Xenith IP Group Limited (ASX: XIP) is the holding company for the businesses of Griffith Hack, Shelston, Watermark and Glasshouse Advisory and their related corporate entities. The Group’s core business is to provide a comprehensive range of IP services including identification, registration, management, valuation, commercialisation and enforcement of IP rights for a global client base including Fortune Global 500 companies, multinational, domestic and foreign corporations, research institutes, educational institutions, SMEs and entrepreneurs.