

Wednesday, 16 January 2019

UPDATE ON ATO CLASS RULING APPLICATION

Phileo Australia Limited (**Phileo**) is pleased to provide the following update in relation to the Australian Tax Office (**ATO**) Class Ruling application that is discussed in Section 9 of the Explanatory Memorandum dated 19 November 2018 for the previously announced Proposed Transaction (**Explanatory Memorandum**).

Background

As announced on 5 October 2018, Phileo applied to the Commissioner of Taxation (**Commissioner**) for a Class Ruling to confirm the Australian taxation implications of Phileo shareholders participating in the Proposed Transaction.

Section 9 of the Explanatory Memorandum provides a general outline of the Australian tax implications for Phileo shareholders in relation to their participation in the Capital Return together with a discussion of the Class Ruling application.

Current Status

Phileo has received a draft Class Ruling from the ATO which is consistent with the general overview of the Australian taxation implications of the Capital Return included in Section 9 of the Explanatory Memorandum.

Although Phileo does not expect there to be significant differences between the draft and final Class Ruling, draft Class Rulings are not binding upon the ATO and only a final Class Ruling can be relied upon by Phileo shareholders.

Phileo will update shareholders once the final Class Ruling is issued by the ATO. It is likely that the final Class Ruling will only be issued by the ATO after the Capital Return has been implemented and Phileo has been delisted. Accordingly, any information about the Class Ruling will be published by Phileo on its website at www.palltd.com.au.

Phileo reiterates its recommendation in the Explanatory Memorandum that shareholders should seek their own taxation advice as to how the Proposed Transaction impacts their individual taxation circumstances.