



3 June 2015

**UPDATE –Takeover bid by Webster Limited (Webster)**

Dear Shareholder

On 26 May 2015 I wrote to advise you that an extraordinary general meeting (**EGM**) of Webster shareholders, held on 25 May 2015, had approved resolutions in relation to Webster's proposed acquisition of Bengerang Limited (**Bengerang**) and to permit Webster to complete the proposed off market takeover bid (**Offer**) to acquire all of your Tandou shares.

On 29 May 2015 Webster announced that it had completed the acquisition of Bengerang. On the same day Webster announced, among other things, that its condition that it reach a relevant interest in a minimum of 50.1% of Tandou shares had been satisfied.

**As at 2 June 2015 Webster had received acceptances into its Offer totalling approximately 64% of Tandou's shares.**

On 1 June 2015, Webster announced that it had waived the remaining conditions of the Offer and **the Offer is now unconditional**. As a consequence of the Offer becoming unconditional, with over 50% of Tandou's shares, Webster now has majority control of Tandou.

If Webster acquires less than 90% of Tandou's shares under the Offer, a number of possible implications arise for Tandou shareholders that do not accept the Offer. These are summarised as follows:

- Webster will be in a position to control the composition of Tandou's Board of Directors and senior management;
- Tandou's share price may fall immediately following the end of the Offer period;
- the liquidity of Tandou's shares may be lower than at present;
- Webster may seek to arrange for Tandou to be removed from the official list of the ASX; and
- if Webster does not own at least 80% of the shares in Tandou at the conclusion of the Offer, Tandou shareholders will not be able to benefit from scrip for scrip rollover relief from Capital Gains Tax.

Further details on the risks of rejecting the Offer are set out in section 5.4 of Tandou's target's statement dated 16 April 2015.

The Directors of Tandou have all accepted the Offer for all of their Tandou shares.

The Offer is currently **scheduled to close on 12 June 2015** and no superior competing proposal has emerged.

**We therefore continue to recommend you ACCEPT THE OFFER as soon as possible by completing and returning the Acceptance Form to the address given on the Acceptance Form.**

Your Directors will continue to keep you updated on all material developments with respect to the Offer.

**Rob Woolley**  
Chairman

**TANDOU LIMITED**  
ABN 81 001 014 562