

31 July 2014

SFG AUSTRALIA LIMITED
ASX RELEASE
(ASX: SFW)

SCHEME OF ARRANGEMENT
IOOF VOLUME WEIGHTED AVERAGE PRICE AND
UPDATE ON THE STATUS OF CONDITIONS PRECEDENT

SFG Australia Limited (**SFGA**) confirms that a meeting of SFGA shareholders will occur tomorrow, Friday 1 August 2014 (**Scheme Meeting**), to consider and vote on the Scheme of Arrangement (**Scheme**) under which IOOF Holdings Limited proposes to acquire 100% of the ordinary shares in SFGA. Dispatch of the Explanatory Memorandum to all SFGA shareholders was completed on 3 July 2014.

Under the terms of the Scheme, SFGA shareholders will be offered 0.104 of an IOOF share for each SFGA share they hold. IOOF is also making available a cash alternative (**Maximum Cash Consideration**), subject to a maximum cash amount of \$100 million in aggregate.

SFGA advises that for the purposes of calculating the entitlements of shareholders in SFGA who elect to receive the Maximum Cash Consideration, the IOOF volume weighted average price (**VWAP**) is A\$8.55, being the VWAP of IOOF shares over the 10 Trading Days immediately prior to the Scheme Meeting.

Conditions Precedent

The Scheme is subject to the satisfaction or waiver of a number of conditions (**Conditions Precedent**) that are detailed in the Explanatory Memorandum.

As far as SFGA is aware, immediately before the date of this announcement no circumstances have occurred which will cause any of the Conditions Precedent not to be satisfied or to become incapable of satisfaction, other than as described below in relation to Performance Rights. These matters will continue to be assessed until 8am on the Second Court Date which is scheduled for Wednesday 6 August 2014.

It is a Condition Precedent of the Scheme Implementation Agreement that all outstanding performance rights granted under SFGA's long term incentive plan (**Performance Rights**) are vested and converted into SFGA Shares, cancelled, or agreed to be acquired or cancelled prior to 8am on the Second Court Date.

As disclosed in the Explanatory Memorandum, IOOF has agreed to waive this Condition Precedent in order to allow SFGA to vest the Performance Rights on or after the Effective Date of the Scheme, scheduled for Wednesday 6 August 2014 and before the Record Date for the Scheme, scheduled for Friday 15 August 2014.

The Explanatory Memorandum details in full the important dates, however, a summary is provided below:

Key Dates	
Scheme Meeting	11am Friday 1 August 2014
Second Court Date for approval of the Scheme	Wednesday 6 August 2014
Election Date – last date and time to lodge Election Forms in respect of the Scheme Consideration	5pm Thursday 14 August 2014
Record date for determining entitlements to Scheme Consideration	5pm Friday 15 August 2014
Implementation Date	Wednesday 20 August 2014

This timetable is indicative only. SFGA has the right to vary the timetable set out above subject to the approval of such variation by the Court and the ASX where required. Any variation to the timetable set out above will be announced to the ASX and notified on SFGA's website www.sfgaustralia.com.au.

Shareholder Information Line

SFGA shareholders who have questions about the Scheme, or the Explanatory Memorandum, can call the SFGA Shareholder Information Line on 1800 425 578 (within Australia) or on +61 1800 425 578 (outside Australia) on business days between 8.30am and 5.30pm (Sydney time).

For shareholder enquiries please contact:

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About SFG Australia Limited

SFG Australia is a leading non-aligned client focused financial advice and end-to-end wealth management firm, listed on the Australian Securities Exchange (ASX: SFW).

SFG Australia provides a full range of wealth management services to high net worth and affluent clients, including strategic financial advice, portfolio administration solutions, portfolio construction and management services, insurance (both general and risk) solutions, finance broking, stockbroking, corporate superannuation services, accounting and tax services.

