

ASX RELEASE

29 April 2015

STREAM GROUP LIMITED (ASX:SGO)

1:5 NON-RENOUNCEABLE RIGHTS ISSUE

SGO is pleased to announce the terms of a non-renounceable rights issue ("Offer") on the basis of one (1) fully paid ordinary share for every five (5) fully paid ordinary shares held by shareholders of SGO with a registered address in Australia or New Zealand (**Eligible Shareholders**) at 5pm (Sydney time) on 8 May 2015 (**Record Date**).

The Offer shares will be issued at a price of 9.5 cents per share. The maximum number of shares which may be issued under the Offer is 35,394,395 fully paid ordinary shares.

The Offer is not underwritten.

The Offer will raise up to approximately \$3,362,468 (before expenses).

The Company will apply funds raised from the Offer to provide working capital of up to (\$2,187,468), reduce debt (\$1,000,000) and pay for the costs of the Offer (up to \$175,000).

The Record Date for entitlements under the Offer is 8 May 2015 and the final date for receipt of applications for shares pursuant to the Offer is 22 May 2015 (subject to variation).

Further details of the terms and conditions of the Offer are set out below.

DETAILS OF THE RIGHTS ISSUE

Key features of the Rights Issue include:

- The Offer is on the basis of one (1) fully paid ordinary share for every five (5) fully paid ordinary shares held as at the Record Date.
- Offer price at 9.5 cents per share.
- The Offer is Non-renounceable and is available to all Eligible Shareholders registered on the Record Date.
- Applications and payment of funds must be received by SGO on or before 22 May 2015 (subject to variation).
- New shares will be fully paid and rank equally with all existing SGO ordinary shares on issue.
- The Directors may, at their discretion, place any shortfall with Eligible Shareholders or other investors, subject to the Corporations Act and ASX Listing Rules.
- The Offer is not underwritten.

An Offer Document and entitlement form will be sent to Eligible Shareholders on the date referred to in the following timetable.

| Timetable Action | Date |
|--|-------------|
| Appendix 3B and section 708AA notice lodged with ASX | 4 May 2015 |
| Company sends notice containing information in Appendix 3B to shareholders | 5 May 2015 |
| Shares trade ex-entitlements | 6 May 2015 |
| Record Date | 8 May 2015 |
| Offer Document and Acceptance Form despatched to eligible shareholders and lodged with the ASX | 13 May 2015 |
| Last day to extend closing date | 19 May 2015 |
| Closing date for acceptances | 22 May 2015 |
| Deferred settlement trading begins | 25 May 2015 |
| Notify ASX of undersubscriptions | 27 May 2015 |
| Issue of new securities | 29 May 2015 |
| Holding statements are despatched to shareholders and deferred settlement ends | 29 May 2015 |
| Normal trading for new shares commences | 1 June 2015 |

This timetable is indicative only and subject to change. Subject to the Corporations Act and ASX Listing Rules, SGO reserves the right to vary the dates and times in connection with the Offer, including the closing date, without prior notice.

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Chairman

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