

SurfStitch Group announces successful completion of institutional placement

SurfStitch Group Limited ("SurfStitch") is pleased to advise it has completed a A\$37.5 million institutional placement through the issue of 25 million ordinary shares at A\$1.50 per share which represents a 3.2% discount to the last closing price of A\$1.55.

Settlement of the placement is expected to take place on 19 May 2015, with allotment and quotation of shares expected to occur on the ASX on 20 May 2015.

SurfStitch CEO Justin Cameron said, "The strong interest by Australian and offshore institutional investors reaffirms the market's confidence in SurfStitch and its content driven strategy. I am thankful to existing institutional shareholders for their continued support and want to welcome new investors to the register."

J.P. Morgan acted as Sole Bookrunner, Lead Manager and Underwriter to the transaction.

Share Purchase Plan

In conjunction with the institutional placement today, SurfStitch announced a Share Purchase Plan ("SPP") for retail shareholders. Eligible SurfStitch shareholders on the register at 7.00pm (AEST) on 12 May 2015 may each apply for up to \$15,000 of new shares at an issue price consistent with the Institutional Placement.

SurfStitch may accept up to A\$5 million in proceeds from shareholders under the SPP. SurfStitch may scale back applications under the SPP at its discretion. Eligible shareholders will receive further details on the SPP in due course.

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About SurfStitch Group

SurfStitch Group is an industry leading actions sports and youth culture apparel content network and online retailer to over two million dedicated customers via its websites SurfStitch.com, Swell.com and SurfDome.com. A leading pure play online action sports retailer globally, SurfStitch Group is the only major pure play online action sports retailer in Australia and New Zealand, has a leading position in Asia and Europe and is strengthening its growing presence in the North American online action sports segments. SurfStitch Group is home to over 50,000 styles from over 900 of the world's leading and unique action sports and street fashion brands. Headquartered in Burleigh Heads, Australia, the SurfStitch Group has physical locations in Australia, the UK and the USA. The Company's ordinary shares are traded on the Australian Securities Exchange (ASX) under the ticker SRF.

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