



ASX RELEASE

23 May 2015

The Manager
ASX Market Announcements
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Surfstitch Group Limited Share Purchase Plan

Further to an announcement made by Surfstitch Group Limited (ASX:SRF) ("**Surfstitch**" or the "**Company**") on 13 May 2015, please find attached a booklet providing details of Surfstitch's Share Purchase Plan (**SPP**).

Mailing of the SPP booklet and a personalised application form to be eligible shareholders commenced on Friday 22 May 2015. A copy of the booklet will be available on Surfstitch's investor website (www.surfstitchgroup.com).

The SPP is open to all of Surfstitch's shareholders who were entered on the Company's share register as holders of fully paid ordinary shares in Surfstitch at 7.00pm (AEST) on 12 May 2015, and whose registered address is in Australia or New Zealand. Please refer to the SPP booklet for terms and conditions.

Application for shares under the SPP opened on 22 May 2015 and close at 5.00pm (AEST) on 5 June 2015.

For further information please contact the Surfstitch Group Limited SPP Information Line at 1300 975 518 (within Australia) or +61 1300 975 518 (outside Australia).

Yours faithfully,

A handwritten signature in blue ink, appearing to read "KBirner".

Karen Birner
Company Secretary

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES



Share Purchase Plan

SurfStitch Group Limited (ACN 602 288 004)

22 May 2015

This Booklet contains important information. You should read this Booklet in full and seek advice from your stockbroker, accountant or other professional adviser if you have any questions about your investment in SurfStitch Group Limited or about the impact of the transactions described in this Booklet. This Booklet does not provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs.

If you have any questions in relation to how to participate in the SPP after reading this Booklet, please contact the SurfStitch Group Limited SPP Offer Information Line on 1300 975 518 (within Australia) or +61 1300 975 518 (outside Australia).

Chairman's letter

22 May 2015

Dear Shareholder

SurfStitch Group Limited Share Purchase Plan

On behalf of the board of SurfStitch Group Limited (ACN 602 288 004) (**SurfStitch**) (ASX:SRF), I am pleased to offer you the opportunity to participate in SurfStitch's share purchase plan (**SPP**), subject to you confirming your eligibility and complying with the enclosed terms and conditions. The SPP allows eligible SurfStitch Shareholders to subscribe for up to \$15,000 worth of new Shares in SurfStitch (subject to scale-back) without incurring brokerage or other transaction costs.

SurfStitch recently conducted a placement of Shares at an issue price of \$1.50 per Share to institutional and professional investors, raising \$37.5 million (**Placement**). Proceeds of the Placement were used to fund SurfStitch's acquisition of Magicseaweed Limited and Rollingyouth Pty Ltd (the publisher of Stab Magazine), announced on 13 May 2015.

Proceeds of the SPP will be used (alongside the proceeds from the Placement) to fund SurfStitch's acquisition of Magicseaweed Limited and Rollingyouth Pty Ltd and to provide SurfStitch with the flexibility to pursue further strategic growth initiatives and for working capital and general corporate purposes. The SPP will be not be underwritten.

The SPP gives you the opportunity to increase your holding of Shares at the same price as the price at which Shares were issued to institutional investors under the Placement. The issue price will be \$1.50 per Share, which is the same as the price institutional investors paid in the Placement and represents a discount of 3.2% to the closing price of \$1.55 per Share on the last trading day before the Placement.

Participation in the SPP is optional and is open to Eligible Shareholders, being holders of Shares at 7.00pm (AEST) on 12 May 2015 and whose registered address is in Australia or New Zealand (excluding Shareholders who are in the United States, or acting for the account or benefit of a person in the United States). Eligible Shareholders who are Custodians can participate in the SPP on behalf of certain beneficiaries on the terms and conditions set out in this booklet.

If the total value of applications received under the SPP is more than \$5 million, SurfStitch will scale-back applications. In the event of a scale-back, you may not receive the full number of New Shares that you applied for. The balance of your application money will be refunded to you, without interest. SurfStitch will make an announcement as to the outcome of the SPP and the number of New Shares issued on or around 10 June 2015.

I urge you to read this booklet, including the terms and conditions of the SPP, in its entirety and seek advice from your financial, taxation or other professional adviser in relation to the SPP, before you decide whether to participate.

For further information about the SPP or how to participate, please contact the SurfStitch Group Limited SPP Offer Information Line on 1300 975 518 (within Australia) or +61 1300 975 518 (outside Australia).

Yours sincerely



Howard McDonald
Chairman

Important information

This booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters.

The offer of New Shares under the SPP is made in accordance with ASIC Class Order 09/425 which grants relief from the requirement to issue a disclosure document for the SPP.

The laws of some countries prohibit or make impracticable participation in the SPP by certain overseas Shareholders. Unfortunately, Shareholders who are not resident in Australia or New Zealand will not be able to participate in the SPP. The SPP does not constitute an offer of Shares for sale in any other jurisdiction.

Not for distribution or release in the United States

This booklet may not be released or distributed in the United States. The Shares have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly the Shares may not be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or other jurisdiction in the United States.

Timetable

Record Date (7.00pm AEST) (the date that eligibility to participate in the SPP was determined)	Tuesday, 12 May 2015
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Opening Date	Friday, 22 May 2015
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Closing Date (5:00pm AEST)	Friday 5 June 2015
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Issue Date	Wednesday, 10 June 2015
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Share Trading Date	Wednesday, 10 June 2015
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Despatch of Transaction Confirmation	Friday, 12 June 2015
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Note: This timetable refers to dates and times in Sydney, Australia, is indicative only and is subject to change. SurfStitch reserves the right, subject to the ASX Listing Rules and the Corporations Act, to alter the above dates at its discretion, without prior notice, including extending the Closing Date or accepting late applications, either generally or in particular cases, or to withdraw the SPP without prior notice. Applicants are encouraged to submit their application forms as soon as possible. No cooling-off rights apply to applications submitted under the SPP. The commencement of quotation of New Shares issued under the SPP is subject to confirmation from the ASX.

Offer Details

Issue Price	\$1.50
Minimum Application Amount	\$500 ¹
Maximum Application Amount	\$15,000 ¹
Permitted Application Amounts	Any amount between the Minimum Application Amount and the Maximum Application Amount, in multiples of \$500

¹ SurfStitch reserves the right, in its sole discretion, to scale-back application.

Key SPP information

You should read this section in conjunction with the attached terms and conditions of the SPP.

1. What is the share purchase plan?

The SPP provides Eligible Shareholders with the opportunity to subscribe for up to \$15,000 worth of New Shares (subject to any scale-back).

2. Who is eligible to participate in the SPP?

A Shareholder who at 7.00pm (AEST) on 12 May 2015 was a registered holder of Shares with a registered address in Australia or New Zealand (unless the Shareholder is in the United States, or is acting for the account or benefit of a person in the United States) and is eligible to participate under applicable securities laws.

Due to the risk and expense of offshore regulatory compliance offers are not being made to Shareholders whose registered address is not in Australia or New Zealand.

The SPP is being extended to Eligible Shareholders who are Custodians and who wish to apply for New Shares on behalf of certain Eligible Beneficiaries.

3. What is the Issue Price?

The Issue Price will be \$1.50 per New Share which is the same as the price institutional investors paid in the Placement and represents a discount of 3.2% to the closing price of \$1.55 per Share on the last trading day before the Placement.

There is a risk that the market price of Shares may rise or fall between the date of this booklet and the time New Shares are issued under the SPP. This means that if you participate in the SPP you accept the risk that the market price of Shares may change between the date of this booklet, the date on which you send in the Application Form or make a payment by BPAY², and the Issue Date. Once submitted, your application is unconditional and may not be withdrawn even if the market price of Shares is less than the Issue Price.

4. How much can I invest under the SPP?

Eligible Shareholders can apply for a maximum of \$15,000 of New Shares under the SPP.

² BPAY is registered to BPAY Pty Ltd ABN 69 079 137 518.

You may apply in multiples of \$500 worth of shares, for any amount between \$500 and \$15,000 worth of Shares.

In any consecutive 12 month period an Eligible Shareholder may subscribe under the SPP or any other similar arrangement, for New Shares with a **maximum** aggregate application price not exceeding \$15,000. This limit includes New Shares a Custodian acquires on your behalf. By participating in the SPP you represent that you have complied with this condition. Please see clause 7.11.1(h) of the terms and conditions for details.

5. How many Shares will I acquire if I apply for New Shares under the SPP?

The number of Shares that you will receive under the SPP will be equal to the value of the parcel of Shares you have applied for (i.e. between \$500 and \$15,000, in \$500 multiples) divided by the Issue Price, subject to SurfStitch undertaking a scale-back.

6. What is a scale-back?

SurfStitch reserves the right in its absolute discretion, to determine the amount raised under the SPP and to scale-back applications under the SPP to the extent and in the manner that it sees fit.

If SurfStitch conducts a scale-back, you will receive the number of New Shares determined by SurfStitch in its absolute discretion, which may be less than you applied for.

The difference between application monies received, and the number of New Shares allocated to you multiplied by the Issue Price, will be refunded to you by direct credit (to your nominated account as recorded on the Register), or by cheque, and without interest.

7. Do I have to participate in the SPP?

No. Participation in the SPP is entirely voluntary.

Before you decide whether to participate in the SPP, SurfStitch recommends you seek independent financial advice from your stockbroker, accountant or other professional adviser.

If you do not wish to participate in the SPP, you do not need to do anything.

8. Can my offer under the SPP be transferred to a third party?

The offer under the SPP is non-renounceable and cannot be transferred to anyone else.

9. How do I apply for New Shares under the SPP?

If you wish to participate in the SPP, you need to do one of the following.

Option 1: Pay by Cheque

Please complete the enclosed Application Form and return it with your cheque made payable to SurfStitch Group Limited, drawn on an Australian financial institution and crossed "Not Negotiable" in the enclosed reply paid envelope to:

**SurfStitch Group Limited
C/- Link Market Services
GPO Box 3560
Sydney NSW 2001**

Your completed Application Form and cheque must be received by the Registry before **5.00pm (AEST) on 5 June 2015**.

Option 2: Pay via BPAY®

To pay via BPAY® you will need to:

- be an account holder with an Australian financial institution;
- use the personalised reference number shown on your Application Form which is required to identify your shareholding; and
- ensure that your payment is received by the Registry before **5.00pm (AEST) on 5 June 2015**.

If you are paying via BPAY® there is no need to return the Application Form but you will be taken to have made the statements and certifications that are set out in the Application Form.

Option 3: Complete an Online Application Form

Shareholders may also participate in the in the Offer by completing the Online Application Form and paying Application Monies by BPAY in accordance with the instructions on the SurfStitch website, www.surfstitch.com. It is your responsibility to ensure that your BPAY payment is received by the share registry by no later than **5.00pm (AEST) on 5 June 2015**. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment.

10. What are the rights attached to the New Shares?

Shares issued under the SPP will rank equally with existing Shares.

New Shares will be able to be traded on the ASX once they are issued (subject to ASX granting quotation of the New Shares).

11. Will the New Shares be quoted?

Yes. SurfStitch will apply for the New Shares to be issued under the SPP to be quoted on the ASX.

12. Is the SPP underwritten?

No.

13. How will Custodians be dealt with?

The SPP is being extended to Eligible Shareholders who are Custodians and who wish to apply for New Shares on behalf of certain Eligible Beneficiaries.

The SPP is being offered to Custodians as registered Shareholders. Custodians are not required to participate on behalf of their Eligible Beneficiaries. Custodians may choose whether or not to extend the SPP to their Eligible Beneficiaries.

If you wish to apply as a Custodian under the SPP to receive New Shares for one or more Eligible Beneficiaries, you must complete and submit a Custodian Certificate that contains further certifications and details (as required under the terms of ASIC Class Order 09/425) before your application can be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected.

Custodians applying on behalf of Eligible Beneficiaries must certify (amongst other things) that each Eligible Beneficiary has not exceeded the \$15,000 limit.

Each Custodian must not participate in the SPP on behalf of, and must not distribute this Booklet or any documents relating to this SPP to, any person in the United States.

Please contact the SurfStitch Group Limited SPP Offer Information Line on 1300 975 518 (within Australia) or +61 1300 975 518 (outside Australia) to request a Custodian Certificate or for further information about the application process for Custodians.

14. What do I do if I receive more than one application form?

Eligible Shareholders who receive more than one Application Form, for example, because they hold Shares in more than one capacity, may apply using different Application Forms but must not apply for New Shares with an aggregate value exceeding \$15,000.

15. Where can I get more information on the SPP?

If you have any questions in relation to how to participate in the SPP, please contact the SurfStitch Group Limited SPP Offer Information Line on 1300 975 518 (within Australia) or +61 1300 975 518 (outside Australia) or consult your financial, legal or other professional adviser.

If you have any questions in relation to whether an investment in SurfStitch through the SPP is appropriate for you, please contact your financial, legal or other professional adviser.

Terms and conditions of the SPP

Important Notice: *If you participate in the SPP by completing and returning the Application Form or by making a payment by BPAY®, you are accepting the risk that the market price of Shares may change between the Record Date, the date on which you send in the Application Form or make a payment by BPAY® and the Issue Date. This means that, up to and after the Issue Date, you may be able to buy Shares on the ASX at a lower price than the Issue Price. We encourage you to seek your own professional advice regarding your participation in the SPP.*

Please read these terms and conditions carefully, as you will be bound by them in participating in the SPP.

The Key SPP Information section of this booklet forms part of the terms and conditions of the SPP.

1. Offer

- 1.1 Eligible Shareholders may apply to purchase up to approximately \$15,000 worth of New Shares under the SPP subject to and in accordance with the terms and conditions set out below.
- 1.2 The offer under the SPP opens on 22 May 2015 and closes at 5.00pm (AEST) on 5 June 2015.
- 1.3 The offer under the SPP is non-renounceable and non-transferable, therefore Eligible Shareholders cannot transfer their right to purchase New Shares to another person.
- 1.4 If you choose not to participate in the SPP, your right to participate lapses 5.00pm (AEST) on 5 June 2015.
- 1.5 The offer under the SPP to each Eligible Shareholder (whether as a Custodian or on its own account) is made on the same terms and conditions.

2. Eligible Shareholders

- 2.1 You are an Eligible Shareholder and may participate in the SPP if you:
 - (a) were registered on the Register as a holder of Shares at 7.00pm (AEST) on 12 May 2015 (**Record Date**);
 - (b) had a registered address in Australia or New Zealand at that time;
 - (c) are not in the United States and are not acting for the account or benefit of a person in the United States; and
 - (d) are eligible to participate under applicable securities laws.
- 2.2 No offer under the SPP is made to persons who are not Eligible Shareholders as defined in clause 2.1 above.
- 2.3 If two or more persons are registered on the Register as jointly holding Shares, they are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification given by one of them is taken to be a certification given by all of them.

3. Applications for New Shares

- 3.1 Eligible Shareholders may subscribe for New Shares in \$500 parcels, for an amount between \$500 and \$15,000.
- 3.2 No brokerage or other transaction costs will apply to the acquisition of New Shares under the SPP.
- 3.3 Eligible Shareholders who wish to apply for New Shares must either:
 - (a) complete the enclosed Application Form and forward it with a cheque drawn on an Australian financial institution made payable to **SurfStitch Group Limited** and crossed "Not Negotiable" in the enclosed reply paid envelope so that it is received before 5.00pm (AEST) on the Closing Date; or
 - (b) make a payment via BPAY® in accordance with the instructions on the Application Form so that it is received before 5.00pm (AEST) on the Closing Date.
- 3.4 Payments must be in Australian dollars.
- 3.5 Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity) may apply on different Application Forms but may not apply for New Shares with an aggregate value of more than \$15,000.
- 3.6 Eligible Shareholders who are Custodians may participate in the SPP on behalf of each Eligible Beneficiary on whose behalf the Custodian is holding Shares. Custodians must also complete and submit a Custodian Certificate that contains further certifications and details (required under the terms of ASIC Class Order 09/425) before the application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected. To request a Custodian Certificate or for further information about the application process for Custodians please contact the SurfStitch Group Limited SPP Offer Information Line on 1300 975 518 (within Australia) or +61 1300 975 518 (outside Australia).
- 3.7 SurfStitch and its officers and agents, may accept or reject your application for New Shares at their discretion including, without limitation, if:
 - (a) your application does not comply with these terms and conditions;
 - (b) it appears you are not an Eligible Shareholder;
 - (c) your BPAY® payment, or Application Form and cheque, is not received by the Registry by 5.00pm (AEST) on the Closing Date;
 - (d) if paying by cheque, your Application Form is incomplete or incorrectly completed or is otherwise determined by SurfStitch to be invalid;
 - (e) your cheque is dishonoured or has been incorrectly completed;
 - (f) it appears that you are applying to purchase more than \$15,000 worth of New Shares in aggregate; or
 - (g) payment of the application money is not submitted in Australian currency or, if payment is made by cheque, the cheque is not drawn on an Australian financial institution.

- 3.8 If you are entitled to a refund of all or any of your application money, the refund will be paid to you, without interest, as soon as is practicable.

4. Issue Price and number of New Shares allotted

- 4.1 The Issue Price for each New Shares issued under the SPP will be \$1.50, being the same price paid by institutional investors in the Placement.
- 4.2 The current Share price can be obtained from the ASX and is listed in the financial and business section of major daily newspapers circulating in Australia.
- 4.3 You agree to pay the Issue Price per New Shares for the number of New Shares calculated under clause 4.4 or, if there is a scale-back, the number of New Shares calculated under clause 5.
- 4.4 If you apply for New Shares, you will apply for a certain value, rather than a certain number, of New Shares. If your application is accepted, SurfStitch will divide the value of your application money by the Issue Price in order to determine the number of New Shares which, subject to scale-back, will be issued to you.
- 4.5 If you make a payment that is not equal to a parcel of \$500, SurfStitch may at its discretion, round down your application to the next lowest parcel of New Shares.

5. Scale-back

- 5.1 If the total value of applications received under the SPP is more than \$5 million SurfStitch will scale-back the number of New Shares that you will be allotted under the SPP.
- 5.2 If there is a scale-back you may receive less New Shares than the parcel you applied for.
- 5.3 If a scale-back produces a fractional number when applied to your application the number of New Shares you are allotted will be rounded down to the nearest whole number.
- 5.4 On a scale-back, the difference between the application money received from you and the value of New Shares issued to you (being the Issue Price multiplied by the number of New Shares) will be refunded.
- 5.5 If you are entitled to a refund of all or any of your application money the refund will be paid to you, without interest, as soon as practicable after issue of the New Shares. Amounts will be refunded by direct credit to your nominated bank account for the payment of SurfStitch distributions, or by cheque mailed to your address as shown on the Register.

6. Issue

- 6.1 New Shares will be issued on the Issue Date, being 10 June 2015.
- 6.2 New Shares will rank equally with existing Shares as at the Issue Date.
- 6.3 SurfStitch will apply to the ASX for the quotation of the New Shares. It is anticipated that they will be quoted on the ASX shortly after the Issue Date.
- 6.4 The Registry will send you a transaction confirmation, confirming the issue of New Shares, on or around 12 June 2015.

7. Acknowledgements

7.1 By returning an Application Form with a cheque or making a payment via BPAY®, you:

- (a) irrevocably and unconditionally agree to the terms and conditions of the SPP set out in this booklet and the terms and conditions of the Application Form and agree to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
- (b) warrant that all details and statements in your application are true and complete and not misleading;
- (c) agree that your application will be irrevocable and unconditional (that is, it cannot be withdrawn);
- (d) warrant that you are an Eligible Shareholder and are eligible to participate in the SPP;
- (e) acknowledge that no interest will be paid on any application monies held pending the issue of New Shares or subsequently refunded to you for any reason;
- (f) acknowledge that SurfStitch and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- (g) acknowledge and agree that:
 - (1) you are not in the United States and are not acting for the account or benefit of a person in the United States;
 - (2) New Shares have not been, and will not be, registered under the US Securities Act of 1933 (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States, and accordingly, the New Shares may not be offered, sold or otherwise transferred in the United States except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act, and any other applicable securities laws;
 - (3) you have not, and will not, send this booklet or any materials relating to the SPP to any person in the United States or to any person outside of Australia and New Zealand;
 - (4) if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in regular transactions on the ASX, where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
 - (5) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is a resident of Australia or New Zealand and is not in the United States;
- (h) if you are applying on your own behalf (and not as a Custodian), acknowledge and agree that:
 - (1) you are not applying for New Shares under the SPP with an application price of more than \$15,000 (including by instructing a Custodian to acquire New Shares on your behalf under the SPP);

- (2) the total of the application price for the following does not exceed \$15,000:
 - the New Shares the subject of the application;
 - any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the application;
 - any other New Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
 - any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the SPP;
- (i) if you are a Custodian and are applying on behalf of an Eligible Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
 - (1) you are a Custodian (as that term is defined in ASIC Class Order 09/425);
 - (2) you held Shares on behalf of one or more Eligible Beneficiaries as at the Record Date who have instructed you to apply for New Shares on their behalf under the SPP and each of these Eligible Beneficiaries has been given a copy of this booklet;
 - (3) you are not applying for New Shares on behalf of any Eligible Beneficiary with an application price of more than \$15,000 under the SPP; and
 - (4) the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- (j) accept the risk associated with any refund that may be dispatched to you by direct credit or cheque to your address shown on the Register;
- (k) are responsible for any dishonour fees or other costs SurfStitch may incur in presenting a cheque for payment which is dishonoured;
- (l) agree to be bound by the Constitution of SurfStitch (as it may be amended from time to time);
- (m) acknowledge that none of SurfStitch, its directors, officers, employees, advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice;
- (n) authorise SurfStitch (and its officers and agents) to do anything on your behalf necessary for New Shares to be issued to you in accordance with these terms and conditions;
- (o) acknowledge that SurfStitch may at any time irrevocably determine that your application is valid, in accordance with the terms and conditions of the SPP, even if the Application Form is incomplete, contains errors or is otherwise defective; and
- (p) authorise SurfStitch (and its officers and agents) to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor detail.

8. Dispute resolution

- 8.1 SurfStitch may settle, in any manner it deems appropriate, any difficulties, anomalies, or disputes which may arise in connection with the operation of the SPP whether generally or in relation to any participant or any application for New Shares, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates.
- 8.2 The powers of SurfStitch under these terms and conditions may be exercised by its directors or any delegate or representative of the directors.

9. Variation and termination

- 9.1 SurfStitch reserves the right at any time to:
- (a) amend or vary these terms and conditions;
 - (b) waive strict compliance with any provision of these terms and conditions;
 - (c) withdraw the SPP offer or suspend or terminate the SPP;
 - (d) vary the timetable for the SPP, including the Closing Date; and
 - (e) not accept an application, not issue New Shares or issue New Shares to a value less than that applied for, under the SPP by an Eligible Shareholder (including a Custodian applying on behalf of its Eligible Beneficiaries).
- 9.2 If the SPP is withdrawn or terminated all application money will be refunded. No interest will be paid on any money refunded.

10. Privacy policy

- 10.1 Chapter 2C of the Corporations Act requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. This information must continue to be included in the public register if you cease to be a securityholder.
- 10.2 SurfStitch and the Registry may collect personal information to process your application, implement the SPP and administer your holding of Shares. The personal information contained in the Register is also used to facilitate payments and corporate communications (including financial results, annual reports and other information to be communicated to Shareholders) and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.
- 10.3 Your personal information may be disclosed to joint investors, the Registry, to securities brokers, to third party service providers, technology providers and professional advisers, to related entities of the Issuer and each of their agents and contractors, and to ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom your personal information may be disclosed will be located overseas.

- 10.4 The Registry's privacy policy is available at www.linkmarketservices.com.au or by contacting +61 1800 502 355 (free call within Australia) 9.00am to 5.00pm (AEST) Monday to Friday (excluding public holidays) to request a copy of the complete privacy policy.

11. Underwriting

- 11.1 The SPP is not underwritten.

12. Governing law

- 12.1 These terms and conditions are governed by the laws in force in New South Wales. Any dispute arising out of, or in connection with, these terms and conditions, or the SPP, will be determined by the courts of New South Wales. You agree to submit to the non-exclusive jurisdiction of the courts in New South Wales.
- 12.2 Other terms and conditions, rights and obligations of New Shares are contained in SurfStitch's constitution.
- 12.3 The terms and conditions of the SPP prevail to the extent of any inconsistency with the Application Form.

Definitions

The following definitions apply throughout this booklet unless the context requires otherwise.

Term	Definition
\$ or dollar	Australian dollars
AEST	Australian Eastern Standard Time.
Application Form	your personalised application form enclosed with this booklet.
ASIC	Australian Securities & Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691) or the market operated by it as the context requires.
Beneficiary	a person on whose behalf a Custodian is holding Shares at 7.00p.m. (AEST) on 12 May 2015.
Closing Date	5:00pm (AEST) on 5 June 2015 (or such other date as SurfStitch determines).
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Custodian	a custodian as defined in paragraph 14 of ASIC Class Order 09/425.
Custodian Certificate	a certificate complying with paragraph 9 of ASIC Class Order 09/425.
Eligible Beneficiary	a Beneficiary on whose behalf a Custodian was holding Shares at 7.00pm (AEST) on the Record Date whose address is in either Australia or New Zealand unless the Beneficiary is in the United States, or is acting for the account or benefit of a person in the United States.

Term	Definition
Eligible Shareholders	a Shareholder eligible to participate in the SPP in accordance with clause 2.1 of the terms and conditions of the SPP.
Issue Date	10 June 2015 (or such other date as SurfStitch determines).
Issue Price	\$1.50 per New Share.
New Shares	Shares issues under the SPP.
Opening Date	22 May 2015 (or such other date as SurfStitch determines).
Placement	the placement of Shares by SurfStitch to institutional and professional investors announced on 13 May 2015.
Record Date	7.00pm (AEST) on 12 May 2015.
Register	the register of Shareholders.
Registry	Link Market Services Limited (54 083 214 537).
Share	one fully paid ordinary share in SurfStitch.
Shareholder	a registered holder of Shares.
SPP	the share purchase plan offer made to Eligible Shareholders under this booklet.
SurfStitch	SurfStitch Group Limited (ACN 602 288 004).