



7 June 2016

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

Dear Sir/Madam

**SurfStitch Group Limited
Cleansing Notice (sophisticated investors)**

On 30 May 2016 SurfStitch Group Limited (ASX:SRF) (**SurfStitch**) issued 1,422,960 fully paid ordinary shares to sophisticated investors (**New Shares**) pursuant to the agreement to acquire 100 per cent of the shares in Rollingyouth Pty Limited (Stab Magazine) which was notified to the ASX on 13 May 2015.

For the purposes of section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) SurfStitch advises that:

- (a) the New Shares were issued without disclosure to the sophisticated investors under Part 6D.2 of the Corporations Act without a prospectus being prepared;
- (b) this notice is being given under section 708A(5)(e) of the Corporations Act;
- (c) as a disclosing entity, SurfStitch is subject to regular reporting and disclosure obligations;
- (d) as at the date of this notice, SurfStitch has complied with:
 - (1) the provisions of Chapter 2M of the Act as they apply to SurfStitch; and
 - (2) section 674 of the Act as it applies to SurfStitch; and
- (e) as at the date of this notice, there is no excluded information of the type referred to in sections 708A(7) or 708A(8) of the Corporations Act.

Yours sincerely

Karen Birner

Chief Financial Officer and Company Secretary
Surfstitch Group Limited

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