

16 March 2011

Company Announcements Office
The Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

REPURCHASE OF STAPLED PREFERENCE SECURITIES

Attached is the form of the letter dated 14 March, 2011 sent to holders of Fairfax Stapled Preference Securities regarding repurchase and half yearly distribution.

Please contact the following for any queries:

MS Gail Hambly
Group General Counsel & Company Secretary
(02) 9282 1674

Yours sincerely,



Gail Hambly
Group General Counsel & Company Secretary



14 March 2011

Dear SPS Holder

Repurchase of Stapled Preference Securities

As announced on 24 February 2011, Fairfax Media Limited has determined that all Stapled Preference Securities (**SPS**) will be Repurchased in accordance with their terms of issue.

Payment of the Repurchase Amount of \$100 per SPS, together with the half-yearly distribution of \$3.2334, will be made on or around 29 April 2011.

You will receive these payments by the method in which you currently receive your dividends. Should you wish to amend your payment instructions, you can contact the Registrar, Link Market Services Limited, on 1300 888 062.

We enclose an Issuer Realisation Notice and an Assignment Event Notice which formally notifies you of the Repurchase.

Thank you for your support of Fairfax Media as an investor in SPS.

Yours sincerely

For and on behalf of
Fairfax Media Limited
ABN 15 008 663 161



14 March 2011

Dear SPS Holder

Issuer Realisation Notice and Assignment Event Notice: Fairfax Stapled Preference Securities

As announced on 24 February 2011, Fairfax Media Limited (**Company**) has determined to Repurchase all Fairfax Stapled Preference Securities.

Issuer Realisation Notice

In accordance with clause 5.4(b)(3) of the Preference Share Terms under which the SPS were issued (**SPS Terms**), the Company gives notice that all 3,000,000 SPS on issue will be Repurchased. No SPS will be Converted.

All your SPS will be Repurchased by means of the Company buying back the Preference Shares which comprise part of the Fairfax Stapled Preference Securities on 29 April 2011 (**Realisation Date**), being the last Business Day prior to the Remarketing Date of 30 April 2011. Under clause 6(c) of the SPS Terms, you are deemed to have made an offer to sell all your Preference Shares to the Company. In accordance with the SPS Terms, the Company accepts this offer.

Amounts payable to SPS Holders

In accordance with clause 6(b)(1) of the SPS Terms, each SPS Holder will receive:

- \$100 per SPS; plus
- the final half yearly distribution of \$3.2334.

Payment will be made on or around 29 April 2011 by the method in which SPS Holders have previously elected to receive their distributions.

If any SPS Holder wishes to amend their payment instruction they should contact the Registrar, Link Market Services Limited on 1300 888 062.

Assignment Event Notice

Fairfax Group Finance New Zealand Limited (ARBN 118 748 682) gives notice under clause 4.2 of the NZ Securities Terms of the occurrence of an Assignment Event, namely Fairfax Media Limited giving an Issuer Realisation Notice to Holders under the Preference Share Terms (clause 4.1(f) of the NZ Securities Terms). This Assignment Event applies to all of the NZ Securities. The Assignment Event Date is 29 April 2011, being the Realisation Date for the Preference Shares.

Further information

Terms defined in the SPS Terms or the NZ Securities Terms, as applicable, have the same meaning in this Notice.

If you have any questions regarding this Issuer Realisation Notice, please contact Link Market Services Limited on 1300 888 062 (within Australia) or 61 2 8280 7670 (outside Australia) or consult your investment or other professional adviser.

Yours sincerely

**For and on behalf of Fairfax Media
Limited**

ABN 15 008 663 161

**For and on behalf of Fairfax Group
Finance New Zealand Limited**

ARBN 118 748 682