

ASX Announcement

30 November 2016

Market update: £50 million of purchase price paid to Watchstone Group Plc will remain in escrow until notified claims resolved

Further to its announcement on 19 September 2016, Slater and Gordon Limited (ASX: SGH) advises claims notified by it and Slater and Gordon (UK) 1 Ltd (**SGH UK**) to Watchstone Group Plc (formerly Quindell Plc) (**Watchstone**) have not yet been resolved between the parties.

The process set out in the Share Purchase Agreement required SGH UK to obtain a positive merits based opinion of its claims from an independent barrister.

Having now satisfied that requirement, the £50 million currently held in escrow against warranty claims that may arise under the Share Purchase Agreement, will continue to be held in escrow until such time as claims notified under that agreement are resolved.

ENDS