

Macquarie Media's Independent Directors unanimously recommend cash takeover offer from Nine

Sydney, Monday 12 August 2019: Macquarie Media Limited (ASX: MRN) (**MML** or the **Company**) refers to the announcement by Nine Entertainment Co Holdings Limited (ASX:NEC) (**Nine**) on 12 August 2019 regarding its conditional takeover offer for all of the ordinary shares of MML that it does not already own at a price of \$1.46 per share in cash (the **Offer**).

The Independent Directors of MML (**Independent Directors**) have considered the Offer in consultation with MML's advisers and recommend unanimously that MML shareholders **ACCEPT** the Offer, in the absence of a superior proposal and subject to an independent expert opinion (and continuing to opine) that the Offer is reasonable.

MML Chairman, Russell Tate, said: *"On Friday 9 August, after ASX close, MML received a confidential indication of interest from Nine regarding a conditional takeover offer for all of the ordinary shares in MML, subject to certain conditions.*

MML's Independent Directors, being myself as Chairman and MML directors Monique Anderson and Louise McCann (comprising the Independent Board Committee (IBC)), having carefully considered the terms and conditions of the proposed transaction in consultation with our financial and legal advisers, have advised Nine that we would unanimously recommend acceptance by MML shareholders of the Offer in the announcement by Nine today, in the absence of a superior proposal and subject to the opinion of an independent expert that the Offer is reasonable.

The IBC has concluded that the Offer reflects attractive value on a fundamental basis and is in the best interests of shareholders. The Offer provides MML independent shareholders with certainty of value and the opportunity to realise their investment for cash, in full."

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Conditions of Offer

The Offer is subject to various conditions including:

- Nine having a relevant interest in more than 90% of all MML shares on issue at the end of the Offer Period;
- Entry into and delivery of a valid Deed of Restraint by John Singleton and his wholly-owned subsidiary company John Singleton Promotions Pty Ltd;
- No action by public authority adversely affecting the Offer; and
- No “material adverse change”, “prescribed occurrence” or prohibited actions by MML.

The full terms and conditions of the Offer are attached as Annexure A. Those terms and conditions, together with further information about the Offer, will be set out in Nine’s Bidder’s Statement.

MML Board Recommendation

The Independent Directors have carefully considered their response to Nine’s conditional off-market takeover offer to acquire all of the ordinary shares of MML that it does not already own.

Based on their consideration of whether the Offer is in the best interests of shareholders, the Independent Directors unanimously recommend that shareholders accept the offer in the absence of a superior proposal and subject to the opinion of an independent expert that the Offer is reasonable. The key reasons for the Independent Directors’ recommendation are set out below:

1. The Offer represents an attractive acquisition multiple.
2. The Offer provides MML shareholders with the opportunity to receive certain value of \$1.46 per MML share in cash, which should be weighed against the risks associated with remaining a MML shareholder.
3. Nine already has an interest of 54.44% of the MML shares on issue. Nine is in a position to cast the majority of votes at a general meeting of MML and accordingly to control the board of MML.
4. The MML directors are not aware of any superior proposal for its independent shareholders to consider.
5. The trading price of MML may fall below current levels if the Offer does not proceed and no superior proposal emerges.

The Target’s Statement will expand on the reasons for the Independent Directors’ recommendation to accept the offer, which shareholders should review carefully.

Next steps and indicative timetable

MML's independent shareholders are not required to take any action at this time.

It is expected that Nine will dispatch its Bidder's Statement to shareholders in September, and that MML's Target's Statement will follow once an independent expert's report is available.

Advisers

UBS AG, Australia Branch is acting as financial adviser and Clayton Utz is acting as legal adviser to MML in relation to the Offer.

For further information contact:

Lisa Young

Chief Financial Officer and Company Secretary

Macquarie Media Limited

Email: lisa.young@macquariemedia.com.au

ATTACHMENT – CONDITIONS OF THE OFFER

Nine Bidder offers to each MRN Shareholder \$1.46 per every MRN Share held.

1.1 Defeating Conditions

This Offer and the contract resulting from acceptance of this Offer are subject to the fulfilment of the following Defeating Conditions:

(a) Minimum acceptance condition

At the end of the Offer Period, Nine Bidder has a relevant interest in more than 90% (by number) of the MRN Shares on issue at that time.

(b) No prescribed occurrences

Between the date the Bidder's Statement is given to MRN and the end of the Offer Period none of the following events happen:

- (i) MRN converts all or any of its shares into a larger or smaller number of shares;
- (ii) MRN or a subsidiary of MRN resolves to reduce its share capital in any way;
- (iii) MRN or a subsidiary of MRN:
 - (A) enters into a buy-back agreement; or
 - (B) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (iv) MRN or a wholly owned subsidiary of MRN issues shares or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (v) MRN or a wholly owned subsidiary of MRN issues, or agrees to issue, convertible notes;
- (vi) MRN or a wholly owned subsidiary of MRN disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property of the MRN Group considered in aggregate;
- (vii) MRN or a wholly owned subsidiary of MRN grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property of the MRN Group considered in aggregate;
- (viii) MRN or a wholly owned subsidiary of MRN resolves to be wound up;
- (ix) the appointment of a liquidator or provisional liquidator of MRN or of a wholly owned subsidiary of MRN;
- (x) a court makes an order for the winding up of MRN or of a wholly owned subsidiary of MRN;
- (xi) an administrator of MRN, or of a wholly owned subsidiary of MRN, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (xii) MRN or a wholly owned subsidiary of MRN executes a deed of company arrangement; or

- (xiii) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of MRN or of a wholly owned subsidiary of MRN when considered in aggregate.

(c) No prescribed occurrences between announcement and service

None of the events listed in sub-paragraph (i) to (xiii) of paragraph (b) happens during the period beginning on the Announcement Date and ending at the end of the day before the Bidder's Statement is given to MRN.

(d) No action by Public Authority adversely affecting the Offer

During the Condition Period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Public Authority;
- (ii) no action or investigation is instituted, or threatened by any Public Authority with respect to MRN or any subsidiary of MRN; and
- (iii) no application is made to any Public Authority (other than an application by Nine or any company within the Nine Group, an application under section 657G of the Corporations Act or an application commenced by a person specified in section 659B(1) of the Corporations Act in relation to the Offer),

in consequence of, or in conjunction with, the Offer, which restrains, prohibits or impedes, or threatens to restrain or, prohibit or impede, or may otherwise materially adversely impact upon, the making of the Offer or seeks to require the divestiture by Nine Bidder of any MRN Shares, or the divestiture of any assets by MRN or by any subsidiary of MRN or by any company within the Nine Group.

(e) Non-existence of certain rights under agreements or instruments

During the Condition Period, there is no person entitled to exercise, exercising or purporting to exercise, stating an intention to exercise (whether or not that intention is stated to be a final or determined decision of that person), or asserting a right to exercise, any rights under any provision of any agreement or other instruction to which MRN or any of its subsidiaries is a party, or by or to which MRN or any of its subsidiaries or any of its assets or businesses may be bound or be subject, which results, or could result, to an extent which is material in the context of MRN and its subsidiaries taken as a whole, in:

- (i) any moneys borrowed by MRN or any of its subsidiaries being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument;
- (ii) any such agreement or other such instrument being terminated or modified or any action taken or arising thereunder (including the acceleration of the performance of any obligations thereunder); or
- (iii) any assets, shares or business of MRN or any of its subsidiaries being sold, transferred or offered for sale or transfer, including under any pre-emptive rights or similar provisions,

other than in relation to any agreement or instrument:

- (iv) previously disclosed before the Announcement Date by MRN in a public filing with the ASX; or

(v) disclosed in writing by MRN to Nine before the Announcement Date,

provided in each case such agreement or instrument and such entitlement to exercise, actual or purported exercise, intention to exercise or assertion was Fairly Disclosed.

(f) Conduct of MRN's business

During the Condition Period, none of MRN, or any body corporate which is or becomes a wholly owned subsidiary of MRN, without the written consent of Nine Bidder (such consent, in the case of sub-paragraphs (iii) to (ix) and (xi), not to be unreasonably withheld or delayed) other than the dividend declared by MRN on 7 August 2019:

- (i) announces, makes, distributes or pays any distribution (whether by way of dividend, bonus, capital reduction or otherwise and whether in case or in specie);
- (ii) issues or grants options over, or agrees to issue or grant options over, or otherwise makes any commitments regarding any shares or other securities, or alters its capital structure or the rights attached to any of its shares or other securities, or issues or agrees to issue any convertible notes or any other securities that are convertible into shares;
- (iii) enters into, amends or agrees to enter into or amend, any material contract, commitment or other arrangement with a related party of MRN or issues a notice of termination, terminates or agrees to terminate, waives or otherwise foregoes any rights under any such arrangement, other than in the ordinary course of business;
- (iv) enters into, amends or agrees to enter into or amend, any contract, commitment or other arrangement where:
 - (A) the term of the contract, commitment or arrangement is greater than 12 months and cannot be terminated by MRN on less than 6 months' notice; and
 - (B) the contract, commitment or arrangement involved MRN or a subsidiary of MRN incurring expenditure (or additional expenditure in the case of an amendment) in excess of \$1,500,000 per annum;
- (v) other than in the ordinary course of business, terminates, agrees to terminate, waives, foregoes any rights, assigns, disposes of, encumbers or otherwise deals with any rights under any contract, commitment or other arrangement, or gives its consent to any other party or parties to terminate, waive, forego any rights, assign, dispose of, encumber or otherwise deal with their respective rights under any contract, commitment or other arrangement where:
 - (A) the remaining term of the contract, commitment or arrangement is greater than 12 months; and
 - (B) the contract, commitment or arrangement involves MRN or a subsidiary of MRN being entitled to receive revenue (or additional revenue in the case of an amendment) in excess of \$1,500,000 per annum;
- (vi) voluntarily changes any accounting policy applied by it to report its financial position, other than advised by its auditors or required by law;
- (vii) gives or agrees to give any Encumbrance over any of its assets otherwise than in the ordinary course of business other than as contemplated under any facility agreement disclosed by MRN in writing to Nine prior to the Announcement Date;

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- (viii) borrows or agrees to borrow any money (except for temporary borrowing from its bankers in the ordinary course of business and intercompany loans within the MRN Group);
 - (ix) other than in the ordinary course of business, releases, discharges or modifies any substantial obligation to it of any person, firm or corporation or agrees to do so;
 - (x) conducts its business otherwise than in the ordinary course;
 - (xi) has commenced against it any claim or proceeding in any court or tribunal (including a petition for winding up or an application for appointment of a receiver or receiver and manager) that is reasonably likely to have a material impact upon the business of the MRN Group;
 - (xii) executes a deed of company arrangement or passes any resolution for liquidation, or has appointed or becomes susceptible to the appointment of an administrator, a receiver, a receiver and manager or a liquidator, or becomes subject to investigation under the *Australian Securities and Investments Commission Act 2001* (Cth) or any corresponding legislation; or
 - (xiii) agrees to do any of the matters set out in sub-paragraphs (i) to (xii) above.

(g) No material adverse change

- (i) During the Condition Period no event, matter or thing occurs or information is disclosed by MRN concerning any event, matter or thing which will or is reasonably likely to:
 - (A) have the effect of diminishing the consolidated net assets of the MRN Group as set out in its consolidated balance sheet of MRN at 30 June 2019 as disclosed by MRN in writing to Nine prior to the Announcement Date by at least \$20,000,000; and
 - (B) result in an ongoing diminution in the annual underlying consolidated EBITDA of MRN of at least \$3,000,000 (relative to the underlying EBITDA for the 12 months ended 30 June 2019 (**FY19 EBITDA**)) from what it would have otherwise been if the event, matter or thing (**Specified Event**) had not occurred, provided that the impact of the relevant Specified Event(s) must be determined after taking into account any matters which offset, or are reasonably likely to offset, the impact of the same Specified Event(s) on the value of EBITDA,

except it does not include any event, change, condition, matter or thing which:

- (C) was Fairly Disclosed by MRN before the Announcement Date in a public filing with ASX or Fairly Disclosed by MRN in writing to Nine before the Announcement Date;
- (D) relating to costs and expenses incurred by MRN associated with the Offer, including all fees payable to external advisers of MRN;
- (E) comprising or resulting from a change in any applicable law, accounting standards or policies of a Public Authority after the date of this agreement;
- (F) comprising or resulting from any change or disruption to, or fluctuation in, general, economic, business or political conditions, including any change to in foreign exchange rates, interest rates or commodities prices, any change or

disruption to, or fluctuation in, existing financial markets, or any act of terrorism, war or natural disaster or the like, in Australia or elsewhere;

- (G) expressly required by MRN in connection with the Offer; or
- (H) is expressly consented to in writing by Nine or Nine Bidder for the purposes of this condition.

(h) Deed of Restraint

On or before the end of the Offer Period each of MRN, John Desmond Singleton and John Singleton Promotions Pty Ltd ACN 001 608 546 validly enters into and delivers a legally binding deed in the form attached.

1.2

Glossary

The following definitions apply in interpreting the Defeating Conditions:

Announcement Date means 12 August 2019.

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited ABN 98 008 624 691.

Bid means an off-market takeover bid by Nine Bidder for all MRN Shares under Chapter 6 of the Corporations Act.

Bidder's Statement means the bidder's statement to be issued by Nine Bidder in respect of the Bid.

Condition Period means the period beginning on the Announcement Date and ending at the end of the Offer Period.

Corporations Act means the *Corporations Act 2001* (Cth) as modified by any relevant exemption or declaration by ASIC.

Defeating Condition means each condition set out in section 1.1.

EBITDA means earnings before interest, tax, depreciation and amortisation.

Encumbrance means:

- (i) a PPS Security Interest;
- (ii) any other mortgage, charge, pledge or lien;
- (iii) an easement, restrictive covenant, caveat or similar restriction over property;
- (iv) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property (including a right to set off or withhold payment of a deposit or other money);
- (v) a right of any person to purchase, occupy or use an asset (including under an option, agreement to purchase, licence, lease or hire purchase);
- (vi) any other thing that prevents, restricts or delays the exercise of a right over property, the use of property or the registration of an interest in or dealing with property; or

(vii) an agreement to create anything referred to above or to allow any of them to exist.

Fairly Disclosed means such information has been disclosed as would enable a reasonable and sophisticated recipient, experienced in transactions similar to the transaction the subject of the Bid and familiar with the business of radio broadcasting and associated activities in Australia, to be aware of the nature and scope of the relevant matter, event or circumstance.

MRN means Macquarie Media Limited ABN 32 063 906 927.

MRN Group means MRN and each of its Related Bodies Corporate.

MRN Share means an ordinary share in the capital of MRN.

MRN Shareholder means a person who is registered as the holder of an MRN Share in the Register.

Nine means Nine Entertainment Co. Holdings Limited ACN 122 203 892.

Nine Bidder means Fairfax Media Limited ABN 15 008 663 161.

Nine Group means Nine and its Related Bodies Corporate.

Offer means each offer to acquire MRN Shares to be made by Nine Bidder to MRN Shareholders in connection with the Bid.

Offer Period means the period during which Offers are open for acceptance.

PPS Security Interest means a security interest that is subject to the *Personal Property Securities Act 2009* (Cth).

Public Authority means any Australian federal, provincial, state, regional, municipal, local or other government, governmental or public department, court, tribunal, administrative, statutory or judicial entity, arbitral body, commission, board, bureau or authority or agency, in each case, of a government (but excluding the Takeovers Panel, ASIC and any court that hears or determines proceedings under section 657G or proceedings commenced by a person specified in section 659B(1) of the Corporations Act in relation to the Offer). It also includes any stock exchange.

Register means the register of MRN Shareholders maintained by MRN in accordance with the Corporations Act.

Related Bodies Corporate has the meaning given to 'related body corporate' under the Corporations Act except, for the purposes of this document, MRN and its subsidiaries (as defined in the Corporations Act) shall not be taken to be Related Bodies Corporate of Nine.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investment Commission Act 2001* (Cth).

Attachment

Deed of Restraint

THIS DEED is made on

BETWEEN:

- (1) **John Desmond Singleton** of care of 120B Underwood Street, Paddington, NSW, 2021 (**Singleton**);
- (2) **John Singleton Promotions Pty Ltd** ACN 001 608 546 of 120B Underwood Street, Paddington, NSW, 2021 (**Singleton Promotions**),

(together, the **Restrained Parties**); and
- (3) **Macquarie Media Limited** ACN 063 906 927 of Level 1, 33-35 Saunders Street Pyrmont, NSW, 2009 (**MRN**).

RECITALS:

- (A) Nine or one of its Related Bodies Corporate has made or is proposing to make an off-market takeover bid for MRN Shares under Chapter 6 of the Corporations Act pursuant to the terms of the Offer.
- (B) It is a Condition to the Offer that the Restrained Parties enter into and deliver this document.
- (C) The Restrained Parties have, directly or indirectly, an existing interest in the Business and propose to enter into this document in order to facilitate the Bid.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

Affiliate means:

- (a) in relation to a body corporate, each of:
 - (i) that body's Related Bodies Corporate;
 - (ii) the governing body of that body or that body's Related Bodies Corporate;
 - (iii) the directors, senior officers, secretaries or any other person appointed to act as an authorised officer of that body or that body's Related Bodies Corporate;
 - (iv) the persons who have a Substantial Holding in that body;
 - (v) if the body corporate is the trustee of a unit trust, or has acted in that capacity, each of the unit holders of the trust from time to time;
 - (vi) if the person is a trustee of a trust which is not a unit trust, or has acted in that capacity, each of the beneficiaries or potential beneficiaries of the trust from time to time; and

- (vii) the persons who would be an associate of the body for the purposes of section 12 or section 15 of the Corporations Act in respect of another body;
- (b) in relation to a natural person, any:
- (i) body corporate for which that person is a director or in which that person has a Substantial Holding;
 - (ii) trust in respect of which that person is a trustee or a beneficiary;
 - (iii) if the person is the trustee of a unit trust, or has acted in that capacity, each of the unit holders of the trust from time to time; and
 - (iv) if the person is a trustee of a trust which is not a unit trust, or has acted in that capacity, each of the beneficiaries or potential beneficiaries of the trust from time to time; and
 - (v) the persons who would be an associate of the person for the purposes of section 12 or section 15 of the Corporations Act in respect of a body.

Bid means an off-market takeover bid by Nine or one of its Related Bodies Corporate for all MRN Shares under Chapter 6 of the Corporations Act.

Business means the business of radio and associated media activities which associated media activities are of the nature of the activities conducted by any one or more of the Group Companies as at 8 August 2019 in Australia.

Business Day means a day (other than Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, Australia.

Condition means a defeating condition to the Offer.

Corporations Act means the *Corporations Act 2001* (Cth) as modified by any relevant exemption or declaration by ASIC.

Effective Date means the date on which the Offer becomes free from all Conditions.

Group Company means MRN and each of its subsidiaries.

MRN Share means an ordinary share in the capital of MRN.

Nine means Nine Entertainment Co. Holdings Limited ACN 122 203 892.

Offer means each offer to acquire MRN Shares to be made by Nine or one of its Related Bodies Corporate to MRN shareholders in connection with the Bid.

Related Bodies Corporate has the meaning given in the Corporations Act.

Restrained Business means a business or operation similar to, or competitive with, the Business.

Restraint Area means each of the following:

- (a) Australia;
- (b) New South Wales, Victoria, Queensland, South Australia, Western Australia, Tasmania and the ACT;

- (c) the capital city of each of the states referred to in paragraph (b) above and Canberra; and
- (d) Sydney, Melbourne and Brisbane.

Restraint Period means each of the following periods:

- (a) from the date two years after the Effective Date until the date three years after the Effective Date;
- (b) from the date one year after the Effective Date until the date two years after the Effective Date;
- (c) from the Effective Date until the date one year after the Effective Date.

Substantial Holding means a holding of more than 5% of the voting shares or interests in a body corporate, directly or through an interest in any interposed entity, including through:

- (a) an equitable interest in the voting shares, including an equitable interest arising under a declaration of trust, an agreement for sale and purchase or an option agreement;
- (b) a right to receive directly or indirectly any dividends payable in respect of voting shares;
- (c) a right of pre-emption, first refusal or other control over the disposal of the voting shares;
- (d) acquiring any right of control over the exercise of any voting rights or rights to appoint directors attaching to the voting shares; or
- (e) otherwise acquiring legal or equitable rights against the registered holder of the voting shares which have the effect of placing the person in the same position as if the person had acquired a legal or equitable interest in the voting shares.

1.2 **Rules for interpreting this document**

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a party to this document or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

- (v) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (f) The expression **this document** includes the agreement, arrangement, understanding or transaction recorded in this document.
- (g) The expressions **controller, subsidiary, holding company, related body corporate, relative** and **substantial holder** have the same meanings as in the Corporations Act.

1.3 **Multiple parties**

If a party to this document is made up of more than one person, or a term is used in this document to refer to more than one party, then unless otherwise specified in this document:

- (a) an obligation of those persons is joint and several;
- (b) a right of those persons is held by each of them severally; and
- (c) any other reference to that party or term is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking relates to each of them separately.

2. **RESTRAINT**

2.1 **Non-competition – undertakings to protect goodwill**

- (a) Each of the Restrained Parties must not, during any Restraint Period within any Restraint Area:
- (i) conduct, carry on, promote or support (whether on its own account, in partnership, in joint venture or as employee or agent of or manager for any other person) a Restrained Business;
- (ii) be concerned, involved or interested in any Restrained Business (directly or through any interposed body corporate, trust or partnership) as trustee, principal, agent, shareholder, unitholder, independent contractor, consultant, adviser or in any other capacity; or
- (iii) provide to any person any direct or indirect financial or other assistance which assists that person to engage in any Restrained Business.
- (b) Each of the Restrained Parties must also procure that each of their Affiliates comply with the provisions of paragraph (a) above as if it were a Restrained Party.
- (c) This clause 2.1 does not prevent the continuation of an agent/consultancy agreement between Singleton and a specified person to which Nine provides its

express written consent to the extent that agreement does not relate to activities other than the agency representation of that specified person for on-air roles.

2.2 Non-interference – further undertakings to protect goodwill

- (a) Each of the Restrained Parties must not, during any Restraint Period:
 - (i) secure or seek to attract the custom of, or entice away, any person who is at the Effective Date a customer of a Group Company which for the avoidance of doubt does not include listeners or private persons acquiring services such as podcasts for non-commercial purposes;
 - (ii) represent itself as being in any way connected with or interested in or associated with:
 - (A) a Group Company (except as the prior owner of the MRN Shares); or
 - (B) any business carried on by MRN or by a Group Company; or
 - (iii) do or say anything harmful to the reputation of a Group Company or which may lead a person to cease, curtail or alter the terms of its dealings with a Group Company.
- (b) Each of the Restrained Parties must also procure that each of their Affiliates comply with the provisions of paragraph (a) above as if it were a Restrained Party.

2.3 No solicitation of employees and contractors

During the Restraint Period, the Restrained Parties must not and the Restrained Parties must procure that each of their Affiliates do not, for any reason (whether on its own behalf or on the behalf of any other person) solicit or attempt to solicit for employment or a contract relationship any person who was an employee of a Group Company, or in a contractor relationship with a Group Company, to provide on-air services or duties at the Effective Date or within 6 months prior to the Effective Date.

2.4 Restraints cumulative

Each of the restraints in clause 2.1 resulting from the various combinations of the Restraint Periods and the Restraint Areas, and each of the restraints contained in clauses 2.2 and 2.3 resulting from the various Restraint Periods, is a separate, severable and independent restraint and:

- (a) clause 4.5(c) applies to each of those restraints; and
- (b) the invalidity or unenforceability of any of the restraints in clauses 2.1 to 2.3 does not affect the validity or enforceability of any of the other restraints in those clauses.

2.5 Restraints reasonable

The Restrained Parties acknowledge that each of the restraints in clauses 2.1 to 2.3 is reasonable in its extent (as to duration, geographical area and restrained conduct) having regard to the interests of each party to this document and goes no further than is reasonably necessary to protect the goodwill of the Group Companies and the Business.

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2.6 **Legal advice**

Each of the Restrained Parties acknowledge that it has received legal advice, or has had the opportunity to obtain legal advice, about this document and about this clause 2 in particular.

2.7 **Damages inadequate**

Each of the Restrained Parties acknowledges that:

- (a) monetary damages would not be adequate compensation to MRN for a breach of the Restrained Parties' undertakings in this clause 2; and
- (b) MRN may seek an injunction if the Restrained Parties do not comply with this clause 2, or if MRN has reasonable grounds to believe the Restrained Parties will not so comply.

3. **NOTICES**

3.1 **How to give a notice**

A notice, consent or other communication under this document is only effective if it is:

- (a) in writing, signed by or on behalf of the person giving it;
- (b) addressed to the person to whom it is to be given; and
- (c) either
 - (i) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address; or
 - (ii) sent in electronic form (such as email).

3.2 **When a notice is given**

A notice, consent or other communication that complies with this clause 3 is regarded as given and received:

- (a) if it is sent by mail:
 - (i) within Australia – three Business Days after posting; or
 - (ii) to or from a place outside Australia – seven Business Days after posting; and
- (b) if it is sent in electronic form - when the sender receives a valid, digitally signed acknowledgment of receipt from the addressee.

3.3 **Address for notices**

A person's mail address is that set out below, or as the person notifies the sender:

Singleton

Address: c/-120B Underwood Street, Paddington, NSW, 2021
Attention: Mr John Singleton

Singleton Promotions

Address: 120B Underwood Street, Paddington, NSW, 2021
Attention: Mr John Singleton

MRN

Address: 33-35 Saunders Street Pyrmont, NSW, 2009

Attention: Company Secretary

A person's address for messages sent in electronic form are as the person notifies the sender.

4. GENERAL

4.1 Governing law

- (a) This document and any dispute arising out of or in connection with the subject matter of this document is governed by the laws of the State of New South Wales.
- (b) Each party submits to the exclusive jurisdiction of the courts of New South Wales and courts of appeal from them, in respect of any proceedings arising out of or in connection with the subject matter of this document.

4.2 Giving effect to this document

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that any other party may reasonably require to give full effect to this document.

4.3 Consents

Where this document contemplates that a party may agree or consent to something (however it is described), that party may:

- (a) agree or consent, or not agree or consent, in its absolute discretion; and
- (b) agree or consent subject to conditions,

unless this document expressly contemplates otherwise.

4.4 Variation of rights

The exercise of a right partially or on one occasion does not prevent any further exercise of that right in accordance with the terms of this document. Neither a forbearance to exercise a right nor a delay in the exercise of a right operates as an election between rights or a variation of the terms of this document.

4.5 Operation of this document

- (a) This document contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this document and has no further effect.
- (b) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.
- (c) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

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4.6 **No merger**

No provision of this document merges on the Effective Date.

4.7 **Counterparts**

This document may be executed in counterparts.

EXECUTED as a deed.

SIGNED, SEALED and DELIVERED by **John Desmond Singleton** in the presence of:

Signature of party

Signature of witness

Name (printed) of witness

EXECUTED by **John Singleton Promotions Pty Ltd ACN 001 608 546:**

Signature of director

Signature of director/secretary

Name

Name

EXECUTED by **Macquarie Media Limited ACN 063 906 927:**

Signature of director

Signature of director/secretary

Name

Name

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