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STW Communications Group Limited
ACN 001 657 370

DIVIDEND REINVESTMENT PLAN- FREQUENTLY ASKED QUESTIONS

Terms defined in the Rules have the same meaning when used in this fact sheet, unless otherwise indicated.

1. What is a DRP?

The DRP provides a simple and cost effective way for Eligible Shareholders to increase their shareholding in the Company, without paying brokerage or transaction costs.

2. Who can participate in the DRP?

Only shareholders with a registered address in Australia or New Zealand on the Dividend Record Date are eligible to participate in the DRP, unless the Board determines otherwise. This is due to the difficulty of satisfying legal requirements in other countries.

If the DRP is extended to all shareholders in any other jurisdiction, this will be notified to the ASX.

3. How can I participate in the DRP?

If you are an Eligible Shareholder and wish to participate in the DRP, you can provide your Participation Notice by logging onto Computershare's Investor Centre at www.investorcentre.com. You will need to have your SRN or HIN (as applicable) and postcode handy. Alternatively, if you wish to complete a DRP form please contact our share registry on 1300 855 080 (within Australia) or +61 3 9415 4000 (overseas).

4. Can I partially participate in the DRP?

Eligible Shareholders may elect Partial or Full Participation.

If you elect Partial Participation, Dividends on non-participating Shares will be paid to you in cash.

You must indicate on the Participation Notice whether you are selecting Full Participation or Partial Participation. If you do not clearly indicate your level of participation you will be deemed to have nominated Full Participation.

5. Are there limits on my participation?

The Company may set a Minimum Participation Limit or Maximum Participation Limit. If Limits are set, this will be notified on the Company's website and to the ASX.

If an Eligible Shareholder elects a number of Shares for participation that is below the Minimum Participating Holding, then the number of Participating Shares is deemed to be zero. If an Eligible Shareholder elects a number of Shares for participation that exceeds the Maximum Participating Holding, then the number of Participating Shares is deemed to be the Maximum Participating Holding.

6. Can I vary my participation?

Yes. If you wish to vary or terminate your participation, you can submit a new Participation Form.

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7. When do my elections take effect?

If you elect to participate in the DRP, or to vary or terminate your participation, the election will be effective for the next Dividend (and subsequent Dividends) if your Participation Form is received on or before the Last Election Date for the next Dividend.

If your Participation Form is received after the Last Election Date for a Dividend, it will not be effective for that Dividend, but will be effective for subsequent Dividends.

The Last Election Date for each Dividend is notified to the ASX at the time the Dividend is announced.

8. How many Shares will I receive under the DRP?

Shares will be allocated at an Allocation Price determined in accordance with the DRP Rules, which will be based on the average market price over a period determined by the Company, less any Discount determined by the Company. The Discount (if any) and the Pricing Period will be notified on the Company's website and to the ASX at the time the Dividend is announced.

The actual Allocation Price that is used to determine DRP allocations will usually be announced to the ASX shortly after the end of the Pricing Period

The number of Shares you will be allocated under the DRP will be calculated by dividing the cash Dividend payable on your Participating Shares by the Allocation Price for the Shares, rounded down to the nearest whole Share.

Any residual cash balance will be carried forward and added to your next Dividend for the purposes of calculating your DRP allocation for that Dividend. If you terminate your participation in the DRP on or before the Last Election Date for that Dividend, any residual cash balance will be donated to a charity of STW's choosing.

9. What is the taxation treatment of Shares received under the DRP?

STW recommends that you seek your own independent tax advice about the consequences of your participation in the DRP.

10. What about withholding taxes?

If any resident or non-resident withholding tax is payable in respect of the Dividend, or there is any other amount which the Company must retain (for example if a Participant does not quote a tax file number), these amounts will be deducted from any Dividend and the balance will be applied in acquiring Shares.

11. What happens if I sell some of my Shares or acquire more Shares?

If an Eligible Shareholder has elected Full Participation and acquires more Shares in the future, all additional Shares will be deemed to participate in the DRP.

If an Eligible Shareholder has elected Partial Participation and subsequently:

- sells a parcel of Shares, non-participating Shares will be deemed to have been sold first; or
- acquires more Shares, all Shares subsequently acquired by the Participant, whether under the DRP or otherwise, will not participate in the DRP.

To vary this position, a new Participation Form must be provided to the Company as per question 6 above.

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12. Can the DRP be varied, suspended or terminated?

The Company may vary, suspend or terminate the DRP at any time by notification on the Company's website and the ASX.

The Company retains this discretion in respect of a Dividend at any time prior to the Dividend Payment Date.

13. Will the DRP be underwritten?

Under the Rules the Board may determine to have the DRP partially or fully underwritten. Unless otherwise advised, it is not the intention of the Board to have the DRP underwritten.

14. How do I contact the share registry to participate in the DRP or obtain more information?

If you wish to contact the Company's share registry in order enquire about the DRP or to acquire a Participation Notice or a copy of the Rules, please contact Computershare on the details below:

Computershare Investor Services Pty Ltd

GPO Box 242

Melbourne VIC 3001

Australia

Telephone:

Within Australia: 1300 855 080

Overseas: +61 (0)3 9415 4000

Facsimile: +61 (0) 3 9473 2500

Website: www.computershare.com.au

IMPORTANT NOTICE

No responsibility can be taken for any advice expressed or implied in this document, given the complex nature of the laws governing companies and the taxation of dividends. The contents of this document have not been reviewed by regulatory authorities in the relevant jurisdictions.

You are urged to seek your own independent professional advice about the financial and taxation implications for you of participating in the Dividend Reinvestment Plan in your specific circumstances.