

VOCUS (NEW ZEALAND) HOLDINGS LIMITED FULL TAKEOVER OFFER

Full offer for all the shares in FX Networks Limited

Vocus (New Zealand) Holdings Limited's Offer closes on 16 September 2014 (unless extended in accordance with the Takeovers Code) so we encourage you to act now

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Offer, you should consult your financial or legal adviser.

If you have sold all your shares in FX Networks Limited to which this Offer applies, you should immediately hand this Offer Document and the accompanying Acceptance Form to the purchaser or to the agent through whom the sale was made, to be passed to the purchaser.

FX Networks Limited's target company statement, together with an independent adviser's report on the merits of this Offer, accompanies this Offer Document and should be read in conjunction with this Offer.

No action has been taken to register or qualify this Offer or otherwise to permit a public offering of Vocus Shares in any jurisdiction outside New Zealand. The distribution of this Offer Document in a jurisdiction outside New Zealand may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on and observe any such restrictions.

The Offer is being made to certain persons resident in Australia, the Isle of Man, Italy, the United States and the United Kingdom where those persons have confirmed that they are eligible to receive this Offer pursuant to applicable exemptions from local securities laws.

Capitalised terms used in this Offer Document have defined meanings which appear in the Glossary Section or in the relevant Section of this Offer Document in which the term is used. All references to \$ are to New Zealand dollars unless specified otherwise. All references to time are to time in New Zealand.

Dated 18 August 2014

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IMPORTANT CONTACTS

If you have any queries in relation to this Offer, or you require further copies of this Offer Document and enclosures (including the Acceptance Form and the reply paid envelope) please call the Offer Information Line on (09) 488 8777 (for callers within New Zealand) or +64 9 488 8777 (for callers outside New Zealand).

IMPORTANT DATES

KEY EVENT	DATE
Record Date	7 August 2014
Offer Date	18 August 2014
Vocus Shareholder Meeting	21 August 2014
Release Date of Offer Document, Target Company Statement and Independent Advisers Report	22 August 2014
Closing Date	16 September 2014
Allotment Date	Expected, 19 September 2014
Date of quotation of Vocus Shares on ASX	Expected, 23 September 2014
Mailing of allotment statements	Expected by 26 September 2014

These dates and references to them throughout this Offer Document are subject to change and are indicative only. Vocus NZ reserves the right to amend the dates and times without prior notice, subject to the Securities Act, Takeovers Code and ASX Listing Rules insofar as applicable to Vocus.

CHAIRMAN'S LETTER

Dear FX Shareholder,

On behalf of the directors of Vocus, I am pleased to present you with an offer to acquire all of your shares in FX.

Subject to the scaling provisions noted below, Vocus is offering you the opportunity to receive up to either:

- 16.76 Vocus Shares; or
- \$79.30 in cash;

for every one of your FX Shares. FX Shareholders should note that, although they are free to elect either of the options above in respect of any or all of their FX Shares, to the extent to which the total amount of cash requested by shareholders in either Shareholder Group exceeds the Group Maximum Cash Amount of that Shareholder Group, the cash received by each FX Shareholder within that Shareholder Group will be scaled proportionately to the amount of cash requested by that FX Shareholder as compared to the requests of other FX Shareholders within that Shareholder Group.

The FX board (members of which hold or control FX Shares) along with other major FX Shareholders representing a total of 80.2% of the total ordinary shares in FX have entered into irrevocable agreements to accept the Offer. This represents an endorsement of the value of the Offer. KPMG has been appointed as the independent adviser to the FX board in relation to the Offer and has concluded that the fair market value for 100% of the equity in FX (on a per share basis) is in the range of approximately NZ\$70.90 to NZ\$85.10 with a midpoint estimate of NZ\$78.00 per share. Vocus' Cash Amount represents a premium of 1.67% to the mid-point of this range and, on the basis of the Vocus Share price as at close on 14 August 2014 (being the last practicable trading date prior to the Offer Date), the equity consideration offered by Vocus exceeds this range.

The Vocus board believes this is a very attractive offer for FX Shareholders. The offer provides:

- for those FX Shareholders electing to receive cash in respect of some or all of their FX Shares (and subject to scaling (if applicable)) the opportunity to realise a cash return for those FX Shares at an attractive valuation; and
- for those FX Shareholders electing to receive Vocus Shares in respect of some or all of their FX Shares:
 - significant opportunities to benefit from the merged group which will combine Vocus' international transit, fibre and data centre network with FX's New Zealand inter-city fibre network;
 - enhanced liquidity;
 - what the Vocus board regards as the ability to participate in Vocus' growth trajectory and reduced earnings risk (relative to that of FX) due to additional geographic diversity; and
 - the ability to continue to benefit from the development of FX's own network, while gaining exposure to a high growth, diversified telecommunications group. Vocus is profitable, dividend paying and becoming part of the Vocus shareholder group offers FX Shareholders the ability to share in those returns.

Following completion of the Offer, the proportion of Vocus' share capital held by FX Shareholders will be between 8.4% (if FX Shareholders elect to take up the full amount of cash available) and 12.1% (if FX Shareholders elect to receive no cash in consideration for any of their FX Shares).

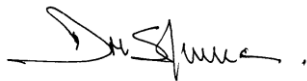
There are currently no other competing offers available to FX Shareholders and no known bidders contemplating making an offer for shares in FX. The FX board has unanimously recommended that you accept the offer for all of your FX Shares.

The Offer is subject to a limited number of conditions, including a 90% minimum acceptance condition, and closes at 5:00pm on 16 September 2014 so I encourage you to act now.

This Offer Document sets out the details of the Offer, including relevant information you may need to take into account before making your decision to accept the Offer. A summary of how to accept the Offer is set out on page 17 of this Offer Document, with detailed instructions provided on the Acceptance Form that accompanies this document. You should seek independent financial and taxation advice before deciding whether or not to accept the Offer.

On behalf of the Vocus board I strongly recommend you accept the Offer for the reasons set out in this Offer Document.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D. Spence', with a horizontal line underneath.

David Spence
Chairman

WHY YOU SHOULD ACCEPT THE OFFER

This section sets out the views of Vocus on the merits of the Offer. It is not the independent adviser's report on the merits of the Offer.

THE OFFER PRICE IS ATTRACTIVE

The Cash Amount implies an enterprise value to FY14 EBITDA valuation multiple of 8.7x. This multiple is attractive to FX Shareholders when set alongside recent comparable transactions.

The share consideration is being issued at a share price of AUD\$4.40. This represents a 16% discount to Vocus' closing price of AUD\$5.25 on the 14th of August 2014 (being the last practicable trading date prior to the Offer Date). With 16.76 Vocus Shares being offered per FX Share, this implies a value per FX Share of NZ\$96.60¹

THE OFFER PROVIDES ENHANCED LIQUIDITY FOR FX SHAREHOLDERS

Cash Election Shareholders have the opportunity to realise value for part (if not all) of their investment in FX in cash.

Vocus is a listed company, with shares trading on the ASX. Share Election Shareholders will benefit from the liquid trading conditions offered by the ASX, with an average daily trading value for Vocus Shares of AUD\$1,500,000 over the 6 months ending on the 14th of August 2014.

The additional scale provided by the acquisition of FX should provide Vocus with greater visibility amongst the investor community and greater liquidity.

Furthermore, Share Election Shareholders will benefit from continuous information disclosure and professional research coverage.

Share Election Shareholders will have the ability to lock up their Vocus Shares as described in paragraph 3 of the "Terms and Conditions of the Offer".

THE FX BOARD UNANIMOUSLY RECOMMEND THAT YOU ACCEPT THE OFFER

The FX board unanimously recommend that you accept the Offer in the absence of a superior proposal.

All FX directors who own FX Shares have signed a lock-up agreement with Vocus NZ under which they have irrevocably agreed to accept the Offer.

MAJOR SHAREHOLDER SUPPORT

FX Shareholders representing 80.2% of the total ordinary shares on issue in FX have signed a lock-up agreement with Vocus NZ under which they have irrevocably agreed to accept the Offer shortly after the Offer is sent. This represents an endorsement of value of the Offer.

Full details of the lock-up agreements are set out in paragraph 6 of Schedule A.

SHARING OF SYNERGY BENEFITS BETWEEN THE TWO BUSINESSES

¹ This assumes an NZD/AUD exchange rate of 0.9109, which was the market rate at 6:00pm NZT on 14 August 2014

Share Election Shareholders will receive shares in Vocus and will benefit from high growth prospects and synergies offered by the combined business. Vocus has a track record of acquisitions in the telecommunications industry such as the acquisition of Digital River Networks, Maxnet and Ipera Communications and has demonstrated the ability to integrate and operate these businesses.

Vocus has identified synergies between Vocus and FX including but not limited to: provision of a full end-to-end Australasian network solution, cross-selling opportunities between Vocus and FX customer bases, movement of Vocus NZ IP transit volumes onto the FX network, and reduction in fixed costs. Share Election Shareholders will share in the benefit of these and also the organic growth of Vocus.

Furthermore, Share Election Shareholders will benefit from reduced earnings risk due to additional geographic diversity.

SUMMARY OF THE MAIN TERMS OF THE OFFER

The Offer	Vocus NZ is offering to acquire all of the FX Shares in accordance with the terms and conditions set out in this Offer Document.
Offer Consideration	<p>The consideration to be offered to you for each of your outstanding FX Shares (that is, in your name on FX's share register as at 5:00pm on the Record Date) is the issue to you of:</p> <ul style="list-style-type: none">• 16.76 fully paid Vocus Shares; or• subject to the "Scaling Provisions" below, \$79.30 in cash, <p>in each case, on the terms and conditions contained in this Offer Document.</p> <p>When returning your Acceptance Form, you will be asked to indicate in respect of how many of your FX Shares you expect to receive Vocus Shares and in respect of how many FX Shares you expect to receive the Cash Amount.</p> <p>Entitlements to fractions (whether of Vocus Shares or, if the cash option is elected, of cents) will be rounded downwards to the nearest whole number.</p>
Adjustments to Consideration	FX Shareholders should note that the number of Vocus Shares to be issued or the Cash Amount to be paid for each FX Share is subject to adjustment in terms of paragraph 6 of the Terms and Conditions of the Offer which provides for adjustment if there is any distribution paid on the FX Shares or change in FX's capital structure. Vocus NZ understands that no such distribution or change is proposed by FX.
Scaling Provisions	<p>The maximum aggregate Cash Amount to be paid in consideration for the FX Shares is \$20,310,886 (the Cash Cap).</p> <p>In ensuring that the Cash Cap is not exceeded and that the Offer is made on the same terms, and provides the same consideration, to all FX Shareholders, the following principles shall apply to the allocation of the Cash Cap:</p> <ul style="list-style-type: none">• As between:<ul style="list-style-type: none">○ those FX Shareholders accepting the Offer prior to the Closing Date (Initial Acceptors); and○ those FX Shareholders who do not accept the Offer prior to the Closing Date (Squeeze Out Shareholders), <p>neither Shareholder Group shall be entitled to receive in excess of a proportion of the Cash Cap which is equal to the proportion which the aggregate shareholding of that group bears to the total issued share capital of FX (the Group</p>

	<p>Maximum Cash Amount).</p> <ul style="list-style-type: none"> • Within each Shareholder Group, if those FX Shareholders electing to receive cash (each a Cash Election Shareholder) elect to receive in excess of the Group Maximum Cash Amount, each Cash Election Shareholder will be entitled to receive, in consideration for those FX Shares in respect of which it has elected to receive a Cash Amount, a proportion of the Group Maximum Cash Amount equal to the proportion which the total Cash Amount elected for by that Cash Election Shareholder represents of the total of all cash elections within that Shareholder Group. • To the extent that the amount received by a Cash Election Shareholder pursuant to the scaling mechanic above is less than the total consideration due in respect of those FX Shares in respect of which it has elected to receive cash, that Cash Election Shareholder will, in addition, receive a number of Vocus Shares calculated by dividing the Cash Election Shortfall by the NZ Vocus Share Price (rounded down to the nearest whole number). <p>For the avoidance of doubt, these scaling provisions apply in any situation in which the Group Maximum Cash Amount would be exceeded.</p>
<p>Implied Consideration</p>	<p>The Cash Amount of NZ\$79.30 per FX Share implies an equity value of NZ\$61,500,000. Also, Vocus NZ will refinance, assume or repay:</p> <ul style="list-style-type: none"> • All FX finance leases; • remaining bank debt; and • shareholder loans, <p>which, collectively, have a value of NZ\$54,300,000, implying an enterprise value of NZ\$115,800,000, and a transaction EV / FY14 EBITDA multiple of 8.7x²</p>
<p>Full Offer</p>	<p>The Offer is for 100% of the FX Shares.</p>
<p>Offer Period</p>	<p>This Offer is dated 18 August 2014 (the Offer Date) and closes on 16 September 2014 (unless extended in accordance with the Takeovers Code).</p>
<p>Conditions</p>	<p>The Offer is conditional on the conditions set out in paragraphs 4 and 5 of the Terms and Conditions of the Offer.</p> <p>The material condition(s) include:</p> <ul style="list-style-type: none"> • the receipt by Vocus NZ of acceptances which will result in Vocus NZ becoming the holder or controller of more than 90% of the voting rights in FX. FX Shareholders should note the application of rights, set out in certain agreements between FX Shareholders (FX Shareholders Agreement)

² EV / EBITDA calculated as enterprise value (\$115.8m) divided by FY2014 EBITDA (\$13.3m).

	<p>and exercisable by those persons accepting the Offer (Acceptors) and, together, holding more than 65% of the FX Shares, to require the remaining FX Shareholders to also sell their shares (Drag Provision). Further detail on the application of these rights is described in paragraph 6 of Schedule A;</p> <ul style="list-style-type: none"> • Escrow Commitments (as detailed below) being entered into in respect of 50% of the Vocus Shares issued pursuant to the Offer; • nothing occurring or failing to occur that would entitle a lender under the Financing Arrangements not to make funding available to Vocus in accordance with the terms of the Financing Arrangements (other than, in each case, where the relevant occurrence or failure is a result of an act or omission in the power, or under the control, of Vocus or an associate of Vocus); and • the receipt of consent to the transaction from certain material commercial counterparties of FX.
<p>Lock Up Agreements</p>	<p>The Offeror has entered into lock up agreements with FX Shareholders holding 80.2% of the FX Shares. Full details of these lock up agreements are set out in paragraph 6 of Schedule A.</p>
<p>Post-Closing Escrow Commitment</p>	<p>By executing the form of restriction agreement enclosed with this Offer (and returning it along with their Acceptance Form), FX Shareholders will have the ability to commit, in respect of any Vocus Shares received by them pursuant to the Offer in excess of 40,000 Vocus Shares, not to dispose of:</p> <ul style="list-style-type: none"> • 100% of such shares for a period of 6 months from the allotment date; and • 50% of such shares for a period of 12 months from the allotment date. <p>Such commitment being an Escrow Commitment.</p> <p>Any FX Shareholder making an Escrow Commitment (each an Escrow Shareholder) will, regardless of that commitment, be entitled to charge all or any of its Vocus Shares in favour of a tier one bank and those Vocus Shares will be released from the arrangements detailed in this paragraph on the bank taking any enforcement action in respect of that security.</p> <p>Further details of the Escrow Commitment are set out in paragraph 3 of the Terms and Conditions of the Offer.</p>
<p>Allotment and Quotation of Vocus Shares</p>	<p>If you accept the Offer, the Vocus Shares and/ or the Total Cash Amount to which you are entitled under the Offer will be allotted or transferred to you (as appropriate) not later than seven days after the later of:</p> <ul style="list-style-type: none"> • the date on which your acceptance is received by the Offeror; • the date on which this Offer becomes unconditional; or

	<ul style="list-style-type: none">• 16 September 2014 (being the end of the initial offer period).
Ranking	The Vocus Shares will rank equally with each other and the existing shares issued by Vocus
Listing	Vocus is listed on the main board of the ASX under ticker code 'VOC'

THE ABOVE IS A SUMMARY OF THE OFFER ONLY.

THE DETAILED TERMS AND CONDITIONS OF THE OFFER ARE SET OUT ON PAGES 19 TO 32. YOU SHOULD READ THOSE TERMS AND CONDITIONS CAREFULLY.

INFORMATION ON VOCUS

OVERVIEW

Vocus is an ASX listed provider of integrated wholesale and corporate telecommunications services in Australia and New Zealand. Incorporated in 2008, Vocus operates a global telecommunications network connecting Australia and New Zealand to Asia and the USA. Vocus has a metropolitan fibre network in Australia and data centre facilities in Australia and New Zealand, with core divisions comprising Fibre/Ethernet, Data Centre, Internet, and Voice services.

Vocus initially provided IP Transit and Voice services and acquired E3 Networks in 2010 which provided data centre facilities in Sydney and Melbourne. The acquisition of the PerthIX data centre in 2011 provided a Perth data centre presence.

Also in 2011, Vocus purchased Digital River Networks which owned a metropolitan dark fibre network primarily in Sydney and Melbourne. Significant investment has been made in this network following strong customer demand with the network increasing from 59km on acquisition to 504km at December 2013. Fibre and Ethernet revenues have also increased by 473% since December 2011.

Vocus acquired Maxnet, a New Zealand data centre provider in May 2012, primarily adding data centre facilities in Auckland and Christchurch. Vocus also acquired Ipera Communications, based in Newcastle, Australia, in January 2013, adding three more data centre facilities in Newcastle along with a metropolitan fibre network in the Newcastle CBD.

In March 2014 Vocus completed a capital raising, placing 11.9 million shares to investors, raising AUD\$48.7 million. Proceeds of the placement will be used to improve balance sheet flexibility, take advantage of growth opportunities and allow Vocus to consider potential acquisitions, such as FX, that expand or complement its existing product set and network reach.

5 Year Summary

Year ending 30 June, A\$m	FY09	FY10	FY11	FY12	FY13	H1/14 ¹
Revenue	5.1	17.5	31.0	45.3	66.9	44.3
EBITDA ²	1.1	6.9	9.8	16.7	22.6	14.6
NPAT ²	0.8	2.9	5.5	8.4	8.7	5.9
Revenue growth		243.1%	77.2%	46.2%	47.8%	44.8%
EBITDA growth		527.2%	42.1%	69.8%	35.7%	49.0%
EBITDA margin	21.6%	39.4%	31.7%	36.8%	33.8%	51.3%

(1) The 1H2014 period represents the 6 months from 1 July 2013 to 31 December 2013. Growth rates are relative to 1H2013 period (1 July 2012 to 31 December 2012).

(2) Figures are presented as underlying numbers, which exclude the effects of foreign exchange. Further detail regarding the financials of Vocus can be found on the Vocus website, www.vocus.com.au.

VOCUS' INFRASTRUCTURE

Vocus designs, builds and operates its own fibre network throughout Australia's major metropolitan capital cities and currently operates with 504km of metropolitan fibre. Vocus also has intercapital links between major cities in both Australia and New Zealand.

The Vocus international network carries traffic from Australia and New Zealand to the USA via the Southern Cross Cable (“**SX**”) network, over which Vocus has an IRU to 2025. Vocus also provides trans-Tasman capacity via the Southern Cross Cable.

In addition, Vocus has direct capacity and low latency connectivity into Asia from Perth via SeaMeWe-3 to Singapore as well as from Sydney via the Australian Japan Cable to Guam then onwards via the Asia America Gateway to Hong Kong.

Complementing the Vocus network are a number of state-of-the-art data centre facilities, located in Australia (Perth, Melbourne, Newcastle and Sydney) and New Zealand (Auckland and Christchurch), which provide scalable and high availability colocation solutions to customers.

THE VOCUS NETWORK



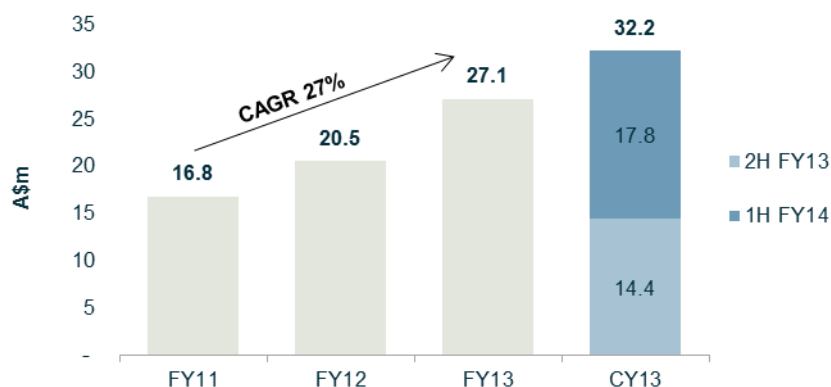
OVERVIEW OF VOCUS DIVISIONS

Internet

Vocus is an independent aggregator and manager of internet capacity in Australia and New Zealand, providing wholesale IP transit capacity and wholesale DSL services to internet service providers, along with the provision of internet access to enterprise customers. The bulk of this revenue is delivered along Vocus’ dedicated capacity on the Southern Cross Cable, and is currently Vocus’ largest business segment.

Vocus operates the third largest IP transit backbone in Australia behind Telstra and Optus and is fully integrated with the other Vocus businesses providing strong cross sales capability.

Internet revenues



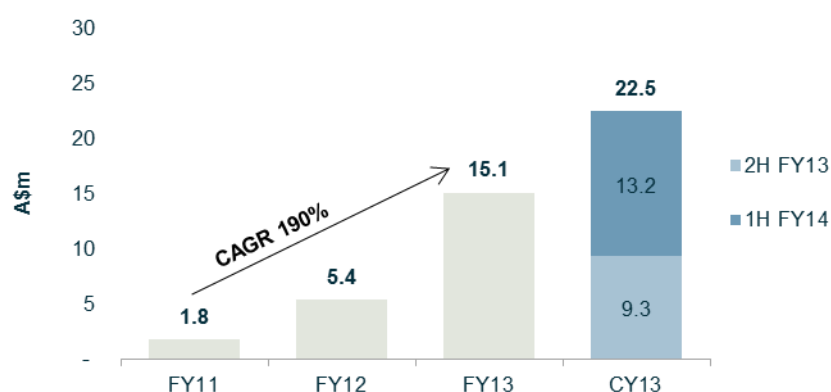
Fibre / Ethernet

Vocus entered into the Australian domestic fibre market through the acquisition of Digital River Networks in May 2011, which included 59km of fibre infrastructure and 60 accessible or 'on-net' buildings. By 31 December 2013, network expansions backed by strong customer demand plus Vocus' acquisition of Ipera Communications had grown the fibre network to 504km with 814 buildings and 70 major data centres connected. Utilisation on Vocus' network was 10.9% as at 31 December 2013.

Vocus' Fibre / Ethernet division comprises two products: i) Dark Fibre, and ii) Ethernet. Dark Fibre provides secure point-to-point connectivity to clients, facilitating the direct connection of two offices or offices with data centres. Ethernet provides point-to-point or point-to-multipoint connectivity at speeds from 10Mbps to 10Gbps. Dark Fibre services are available in Australian CBDs and Ethernet services are available in Australia, New Zealand, Singapore, Hong Kong and the USA.

Vocus has targeted network density rather than distance to maximise the number of addressable customers per kilometre of fibre. Customer contracts are typically 24 to 36 months in duration with very low churn rates, and there is minimal incremental cost to service additional customers in the same building once connected to the Vocus fibre network.

Fibre / Ethernet revenues



Data Centres

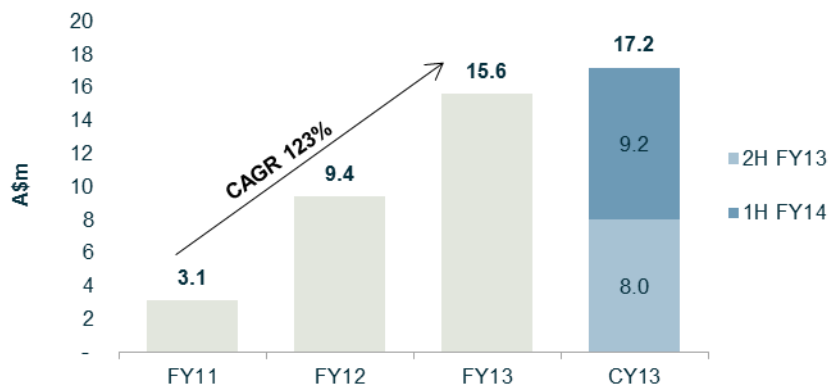
Vocus data centres provide colocation services to the telecommunications industry and enterprise customers. Vocus operates nine data centres across six cities (Sydney, Melbourne,

Perth and Newcastle in Australia and Auckland and Christchurch in New Zealand). Construction of an expansion to the Auckland facility and a new Melbourne facility was completed in 2013. Vocus' data centres now cover a total area of 3,670m².

Vocus offers data centre space to customers on longer term contracts. Customers are charged monthly either per rack of equipment or by caged floor area.

Vocus operates in a different market segment from large pure data centre players focusing specifically on CBD (or near CBD) locations and targeting medium sized corporates. Additionally, data centre services provide strong leads to bundle Vocus' other services, which bolsters margins.

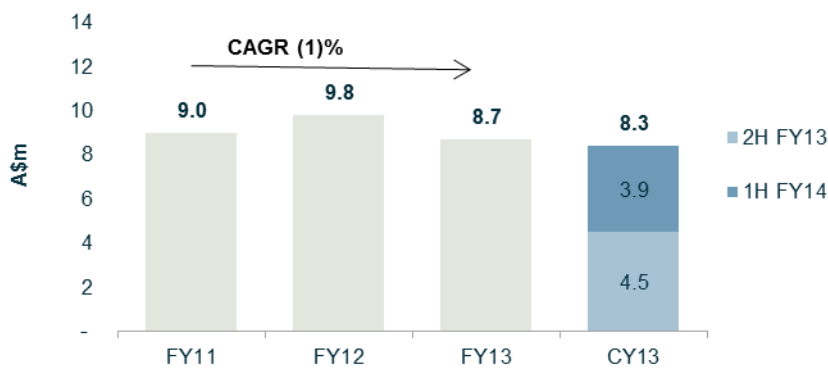
Data centre revenues



Voice

Vocus works as an interconnect carrier with its voice network primarily providing the ability to route calls to/from Vocus clients to the required destinations, both national and international. Vocus provides wholesale voice services to VoIP service providers, the calling card industry and resellers.

Voice revenues



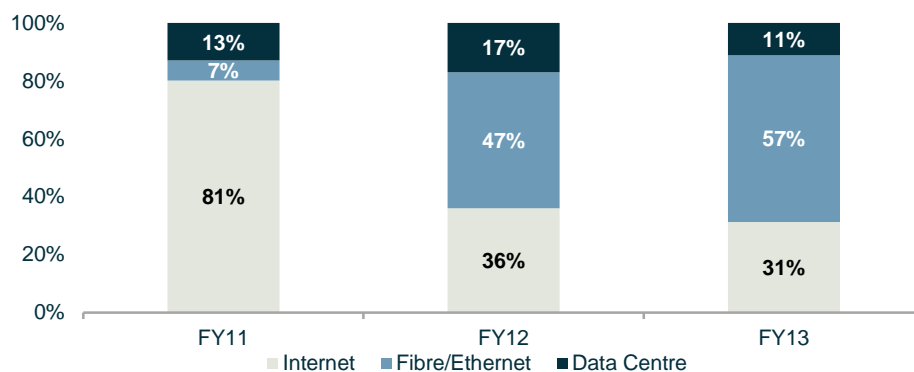
VOCUS STRATEGY

Evolving Sales Mix

At inception, Vocus provided primarily Internet and Voice services. However, FY2011 and FY2012 saw Vocus expand its product offering, acquiring Fibre and Data Centre businesses, and

making significant investment to improve their scale and reach. These businesses are now the main driver of future growth for Vocus with Fibre / Ethernet products making up the majority of new sales.

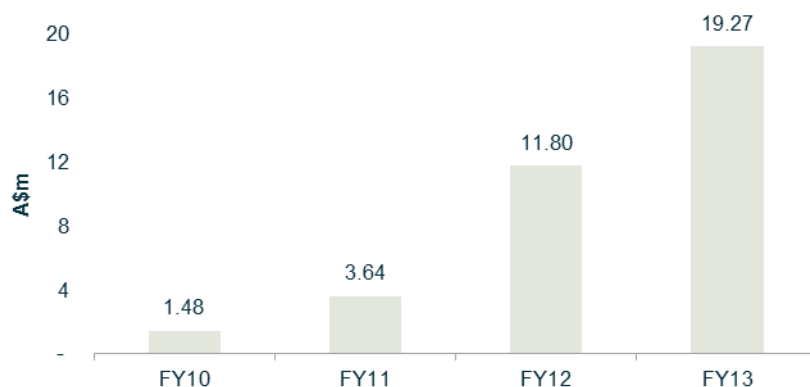
Proportion of new monthly recurring revenue by product



Capital Structure and Operating Leverage

Vocus' three largest businesses (Internet, Fibre and Data Centre) require upfront capital investment before moving into the sales phase where asset utilisation grows with limited marginal cost. FY2012 and FY2013 have seen significant increase in capacity across all three business units. As utilisation grows over these divisions Vocus' margins are expected to improve.

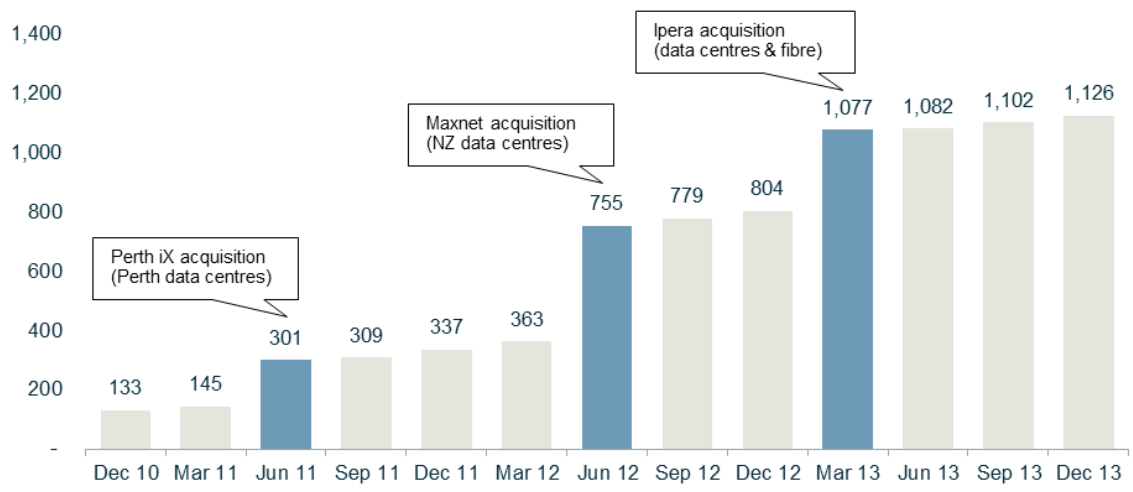
Historical capital expenditure



Customer Growth

As at 31 December 2013, Vocus had a total of 1,126 customers, gained through a combination of organic and acquisition led growth. Customer numbers have increased considerably since December 2010, benefitting from Vocus' new focus on the corporate market and cross-sales facilitated by the Perth iX, Maxnet and Ipera acquisitions.

Customer numbers



HOW TO ACCEPT THE OFFER

CLOSING DATE

This Offer closes on 16 September 2014 (or such later date (if any) to which the Offeror may extend it in accordance with the Takeovers Code) (**Closing Date**).

If you wish to **ACCEPT** this Offer, you must ensure that your Acceptance Form is sent **AS SOON AS POSSIBLE** but in any event so that it is received by the Offeror on or before the Closing Date.

HOW TO ACCEPT

Complete the enclosed Acceptance Form in accordance with the instructions set out on that form.

Post, courier, or hand deliver the form to:

"Vocus – FX Networks Takeover Offer"

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
New Zealand

OR

"Vocus – FX Networks Takeover Offer"

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna
Auckland
New Zealand

A reply-paid envelope is enclosed. Acceptance Forms will not be accepted by fax or email. Send the original by post, courier or deliver to either of the addresses set out above.

IF YOU HAVE SOLD ALL YOUR FX SHARES

Please hand this Offer Document and the accompanying Acceptance Form to:

- the purchaser(s) of your FX Shares; or
- the agent through whom the sale was made requesting that this Offer Document and the accompanying Acceptance Form be passed to the purchaser(s).

IF YOU HAVE SOLD SOME OF YOUR FX SHARES

Please alter the total holding on the Acceptance Form to the number of FX Shares which you have retained, initial the change and post the amended Acceptance Form as per the instructions above.

On receipt of the amended Acceptance Form, the Offeror (or its agent) will recalculate the number of Shares and/or the Cash Amount to be transferred to you to reflect the number of FX Shares sold by you.

Please also advise the purchaser(s) of your FX Shares, or request the agent through whom you made the sale to advise the purchaser(s) of your FX Shares, of this Offer. Please also advise them that a copy of this Offer Document is available from Computershare Investor Services Limited. You should also advise Computershare Investor Services Limited of the number of FX Shares sold and the agent (e.g. the broker) involved.

IF YOU HAVE LOST YOUR ACCEPTANCE FORM

Please contact the Offer Information Line on (09) 488 8777 (for callers within New Zealand) or +64 9 488 8777 (for callers outside New Zealand) and you will be provided with a new form.

TERMS AND CONDITIONS OF THE OFFER

1. THE OFFER

- 1.1 Vocus NZ offers to purchase all of the FX Shares.
- 1.2 The Offeror offers to acquire the FX Shares, including all rights, benefits, and entitlements attached thereto on, after, or by reference to, the date on which the Offeror gave FX notice of its intention to make the Offer (**Notice Date**).
- 1.3 This Offer will remain open for acceptance until 5.00p.m. on 16 September 2014 or such later date (if any) as the Offeror may determine to extend it in accordance with the Takeovers Code (**Closing Date**).
- 1.4 This Offer is dated 18 August 2014.

2. CONSIDERATION

- 2.1 Each FX Shareholder will, in respect of each FX Share held by it, have the option to receive, on settlement of the Offer:

- (a) 16.76 Vocus Shares; or
- (b) the Cash Amount;

provided that, despite such election:

- (c) an Acceptor may receive Vocus Shares instead of a portion of the Cash Amount as a result of the application of the Cash Cap in accordance with paragraph 2.4;
- (d) the number of Vocus Shares and the Cash Amount may be altered if certain circumstances arise in accordance with paragraph 6; and
- (e) where an FX Shareholder would otherwise receive:
 - (i) a fraction of a Vocus Share; or
 - (ii) a fraction of a cent,

in return for its FX Shares such fraction shall be rounded down to the nearest whole number of Vocus Shares or cents (as applicable).

Any FX Shareholder who returns an Acceptance Form which does not specify an election for either Vocus Shares or the Cash Amount in respect of every FX Share held by that FX Shareholder will be deemed to have elected to receive Vocus Shares in respect of 67% of its FX Shares (rounded down to the nearest whole FX Share) and the Cash Amount in respect of 33% of its FX Shares (rounded up to the nearest whole FX Share) (**Default Consideration**).

- 2.2 The number of Vocus Shares to be offered in respect of each FX Share set out in paragraph 2.1 has been calculated in accordance with the following formula:

$$\frac{(A \times B) / C}{D}$$

The Cash Amount to be offered in respect of each FX Share set out in paragraph 2.1 has been calculated in accordance with the following formula:

$$\frac{A}{D}$$

Where, in each case:

- A = \$61,548,139 (**Initial Equity Value**)
- B = 0.9299
- C = Vocus Share price of AUD\$4.40
- D = Number of FX Shares as at the Offer Date.

2.3 For each Acceptor, the Vocus Shares and/ or the Total Cash Amount to which it is entitled under the Offer will be allotted or transferred to it (as appropriate) not later than seven days after the later of:

- (a) the date on which that Acceptor's acceptance is received by the Offeror;
- (b) the date on which this Offer becomes unconditional; or
- (c) 16 September 2014 (being the end of the initial offer period).

If the Vocus Shares and/or the Total Cash Amount are not allotted or transferred (as appropriate) to any Acceptor within the period specified above, that Acceptor may withdraw their acceptance of this Offer by notice in writing to the Offeror, but only:

- (a) after the expiration of seven days' written notice to the Offeror of that Acceptor's intention to do so; and
- (b) if that Acceptor does not receive the consideration to which they are entitled during the seven day period referred to in paragraph (a) above.

2.4 Notwithstanding the provisions of paragraphs 2.1 and 2.2, the maximum aggregate Cash Amount to be paid in consideration for the FX Shares is \$20,310,886 (the **Cash Cap**). In ensuring that the Cash Cap is not exceeded and that the Offer is made on the same terms, and provides the same consideration, to all FX Shareholders, the following principles shall apply to the allocation of the Cash Cap:

- (a) As between Initial Acceptors and Squeeze Out Shareholders, neither Shareholder Group shall be entitled to receive in excess of its Group Maximum Cash Amount.
- (b) Within each Shareholder Group, if Cash Election Shareholders elect to receive in excess of the Group Maximum Cash Amount, each Cash Election Shareholder will be entitled to receive, in consideration for those FX Shares in respect of which it has elected to receive a Cash Amount, a proportion of the Group Maximum Cash Amount equal to the proportion which the Total Cash Amount of that Cash Election Shareholder represents of the Aggregate Cash Amount.
- (c) To the extent that the amount received by a Cash Election Shareholder pursuant to the immediately preceding paragraph is less than the total consideration due in respect of those FX Shares in respect of which it has elected to receive cash, that Cash Election Shareholder will, in addition, receive a number of Vocus Shares calculated by dividing the Cash Election

Shortfall by the NZ Vocus Share Price (rounded down to the nearest whole number).

For the avoidance of doubt, these scaling provisions apply in any situation in which the Group Maximum Cash Amount would be exceeded. We set out below an example as to how the provisions of this clause 2.4 are designed to work in a situation where:

- (d) of the 107 FX Shareholders, 30, holding 729,483 FX Shares (or 93.99% of the issued share capital of FX), accept the Offer prior to the Closing Date and become Initial Acceptors; and
- (e) of those 30 Initial Acceptors:
 - (i) 25 (holding 719,319 FX Shares, 92.68% of the issued share capital of FX and 98.61% of the FX Shares held by the Initial Acceptors) elect to receive the Cash Amount in respect of all of their FX Shares (i.e. the Initial Acceptors have elected for an Aggregate Cash Amount of \$57,041,997); and
 - (ii) 5 elect to receive Vocus Shares in respect of all of their FX Shares (amounting to 10,164 FX Shares).

In this scenario:

- (f) the Initial Acceptors have a Group Maximum Cash Amount of \$19,090,307 (being 93.99% of the Cash Cap);
- (g) the Aggregate Cash Amount of the Initial Acceptors exceeds the Group Maximum Cash Amount and scaling therefore applies; and
- (h) as a result, each Cash Election Shareholder will be entitled to a proportion of the Group Maximum Cash Amount which is equal to the proportion which the Total Cash Amount of that Cash Election Shareholder represents of the Aggregate Cash Amount. Consequently, if an individual Acceptor had elected to receive a Total Cash Amount of \$20,616,096, that Acceptor will be entitled to receive, in addition to any Vocus Shares for which he had elected:
 - (i) \$6,899,611.53, being 36.14% of the Group Maximum Cash Amount; and
 - (ii) 2,898,665 Vocus Shares, being $(\$20,616,096 - \$6,899,611.53) / \text{the NZ Vocus Share Price}$.

2.5 The Vocus Shares issued pursuant to the Offer will be issued under the Securities Act (Vocus Communications Limited) Exemption Notice 2014 (**Exemption Notice**) a copy of which is attached to this Offer Document. The Exemption Notice requires the information contained in Schedule B to be set out in this Offer Document.

2.6 Vocus will take any necessary steps to ensure that any Vocus Shares issued pursuant to the Offer will be quoted on ASX immediately following their issue.

3. TERMS OF THIS OFFER

3.1 Unless this Offer is withdrawn in its entirety with the consent of the Takeovers Panel in accordance with the Takeovers Code or unless this Offer lapses in accordance with its terms, this Offer will remain open for acceptance until and including the Closing Date.

- 3.2** The latest date on which the Offeror can declare this offer unconditional (**Condition Date**) is 14 days after the Closing Date excluding, for the purposes of this paragraph 3.2, any extension of the Closing Date beyond 16 September 2014. If this Offer is not extended and the Offer period ends on 16 September 2014, then, as at the date of this Offer, the latest date under the Takeovers Code by which the Offeror can declare this Offer unconditional is 30 September 2014, on the basis that the conditions in paragraphs 4, 5.1 and 5.2 have been satisfied or waived.
- 3.3** If this Offer is not declared unconditional, or the outstanding conditions to it are not waived by the Offeror (to the extent waiveable), by the Condition Date, then this Offer will lapse and the Offeror and every Acceptor will be released from their obligations under this Offer (and any contract arising from their acceptance of it).
- 3.4** This Offer is open for acceptance by any person who holds FX Shares, whether acquired before, on or after the date of this Offer, upon production of satisfactory evidence of such person's entitlement to those FX Shares. Pursuant to FX's constitution, a holder of FX Shares may only accept this Offer in respect of all of their FX Shares. Each acceptance must be free of all conditions of acceptance of any nature whatsoever.
- 3.5** Each Acceptor represents and warrants that:
- (a) it is the sole legal and beneficial owner of the FX Shares in respect of which it accepts this Offer, or it is the legal owner and has the necessary capacity and authority to accept this Offer in respect of those FX Shares; and
 - (b) legal and beneficial title to all those FX Shares in respect of which it accepts this Offer will pass to the Offeror free of all liens, charges, mortgages, encumbrances and other adverse interests or claims of any nature whatsoever, but together with all rights, benefits and entitlements attaching to them, including the right to all dividends, bonuses and other payments and distributions of any nature attaching to such FX Shares arising on, after, or by reference to, the Notice Date, on allotment of the Vocus Shares or transfer of the Total Cash Amount pursuant to paragraph 2; and
 - (c) it will exercise all rights reasonably available to it as a shareholder of FX to:
 - (i) enforce the application of the Drag Provision in clause 17 of the FX Shareholders' Agreement to which it is a party;
 - (ii) waive any pre-emptive rights held by it (if applicable and subject to the application of the Drag Provision) and hereby waives all such rights;
 - (iii) effect the termination of the FX Shareholders' Agreement to which it is a party with effect from the date that the offer is declared unconditional by Vocus NZ; and
 - (iv) do all matters of any kind or nature whatsoever in respect of or pertaining to the FX Shares and all rights and benefits attaching to them as it may think proper and expedient in furtherance of the Offer and which it could lawfully do or cause to be done.
- 3.6** By executing and returning an Escrow Commitment in the form enclosed with this Offer Document, each Acceptor shall have the ability to commit, in respect of any Vocus Shares received by it pursuant to the Offer (in excess of 40,000 Vocus Shares), not to dispose of:

- (a) 100 percent of such shares for a period of 6 months from the allotment date; and
- (b) 50 percent of such shares for a period of 12 months from the allotment date.

Any Escrow Shareholder will, regardless of their Escrow Commitment, be entitled to charge all or any of their Vocus Shares in favour of a tier one bank and those Vocus Shares will be released from the arrangements detailed in this paragraph on the bank taking any enforcement action in respect of that security.

4. MINIMUM ACCEPTANCE CONDITION

This Offer, and any contract arising from acceptance of it, is conditional on the Offeror receiving acceptances, by no later than the Closing Date, in respect of such number of FX Shares that would, upon this Offer being declared unconditional and the relevant FX Shares being transferred to the Offeror, result in the Offeror holding or controlling more than 90% of the voting rights in FX.

5. FURTHER CONDITIONS OF THIS OFFER

5.1 In addition to the condition set out in paragraph 4 above, this Offer, and any contract arising from acceptance of it, are subject to the following further conditions:

- (a) Escrow Commitments being entered into in respect of 50% of the Vocus Shares issued pursuant to the Offer;
- (b) nothing occurring or failing to occur that would entitle a lender under the Financing Arrangements not to make funding available to Vocus in accordance with the terms of the Financing Arrangements (other than, in each case, where the relevant occurrence or failure is a result of an act or omission in the power, or under the control, of Vocus or an associate of Vocus);
- (c) receipt, from each of the parties set out in the first column of the table below of the consent detailed next to that party's name in the second column:

Counterparty	Consent
Unison (Fibre & Networks)	• Standard Change of Control consent and negative pledge waiver
Electricity Ashburton	• Standard Change of Control consent
Alpine Energy	• Standard Change of Control consent
Network Waitaki	• Standard Change of Control consent
Kordia	• Standard Change of Control consent
Vodafone	• Standard Change of Control consent
REANNZ	• Standard Change of Control consent and negative pledge waiver consent
Chorus	• Standard Change of Control consent for all agreements between Chorus and FX

Telecom	<ul style="list-style-type: none"> Standard Change of Control consent (for all Telecom/FX agreements)
Network Tasman	<ul style="list-style-type: none"> Standard Change of Control consent
Landlord – 96 New North Road, Eden Terrace, Auckland	<ul style="list-style-type: none"> Standard Change of Control consent
Landlord – Unit 2, 11-13 Norman Spencer Drive, Manukau	<ul style="list-style-type: none"> Standard Change of Control consent
Landlord – Harrington House, Tauranga	<ul style="list-style-type: none"> Standard Change of Control consent
Landlord – 1154 Hinemoa Street, Rotorua	<ul style="list-style-type: none"> Standard Change of Control consent
Landlord – 2 Bruce Street, Hunterville	<ul style="list-style-type: none"> Standard Change of Control consent
Landlord – 22 Gordon Street, Dannevirke	<ul style="list-style-type: none"> Standard Change of Control consent
Landlord – 15-17 Murphy Street, Wellington (AT&T House)	<ul style="list-style-type: none"> Standard Change of Control consent
Landlord – Sky Tower, Auckland (Telecommunications & Broadcasting Licence)	<ul style="list-style-type: none"> Standard Change of Control consent
Aurora Energy Limited	<ul style="list-style-type: none"> Standard Change of Control consent
Citylink (in respect of the PoP at Kingston St, Auckland)	<ul style="list-style-type: none"> Standard Change of Control consent
Innovation Waikato (in respect of the PoP at Waikato Innovation Park)	<ul style="list-style-type: none"> Standard Change of Control consent

The Offeror will use all reasonable endeavours to satisfy the conditions set out in this paragraph 5.1 in a timely manner.

5.2 In addition to the conditions set out in paragraphs 4 and 5.1 above, this Offer, and any contract arising from acceptance of it, are subject to the conditions that, except as otherwise agreed in writing by the Offeror, during the period from the Notice Date until the Condition Date:

- (a) no dividends, bonuses or other payments or distributions (within the meaning of the Companies Act 1993) of any nature whatsoever (including, for the avoidance of doubt, by way of share buyback, redemption or cancellation or any other form of capital reduction) are authorised, declared, paid or made upon or in respect of any of the FX Shares;
- (b) no shares, convertible securities or other equity securities of any nature (including options, rights or interests in any ordinary shares) of FX or any of its subsidiaries or joint venture entities, are issued, agreed to be issued or made the subject of any option or right to subscribe;
- (c) there is no alteration of the rights, benefits, entitlements and restrictions attaching to any of the FX Shares;

- (d) the businesses of FX are carried on, in all respects which are material to FX, in the normal and ordinary course;
- (e) there are no additional borrowings or repayments of indebtedness, by FX, other than scheduled repayments;
- (f) there are no movements in working capital other than those in the normal course of business;
- (g) neither FX, nor any third party, has terminated, varied (in any material respect), breached or otherwise not performed (in any material respect) any agreement for the sale or licence of fibre optic capacity or services or other related agreement or arrangement which termination, variation, breach or non-performance will have, or could reasonably be expected to have, a Material Adverse Effect;
- (h) there is no alteration to the constitutional documents of FX, other than amendments that are of a formal or technical, and not of a substantive, nature, except as is reasonably necessary to facilitate acceptance of the Offer;
- (i) no assets of FX, and no shares or other securities or interests held, controlled or owned by FX in any company or other entity or any other unincorporated body (which assets, shares, or other securities or interests are material to FX) are, or will be, subject to any option, forfeiture, transfer or any right of pre-emption, in the event of FX becoming a subsidiary or under the control of the Offeror;
- (j) FX does not, without prior consultation with the Offeror, dispose of, purchase, transfer, lease, grant a security interest over, grant an option over or otherwise deal with a legal or beneficial interest in, any asset, business operation, property or subsidiary (or agree, including by agreeing to materially vary any agreement, to do any of these things), or sell or licence any fibre optic capacity or services in each case, having a value of an amount in excess of \$200,000 (either by a single act or series of related acts);
- (k) FX does not enter into any new agreement including any sale or licence of fibre optic capacity or services or other related agreement or arrangement, where the terms of the new agreement have had, or could reasonably be expected to have, a Material Adverse Effect;
- (l) FX does not change, or agree to change, the remuneration or any other material terms of employment of any director, officer, employee or consultant (except for ordinary wage or salary increases in accordance with its established review policy and conducted under the supervision of the board of FX), or commence the employment or engagement of any person other than in the ordinary course of business;
- (m) there is no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction in New Zealand or elsewhere or other legal restraint or prohibition making implementation of this Offer, or any aspect of it, void, unenforceable or illegal;
- (n) no liquidator, receiver, receiver and manager, statutory manager or similar official is appointed to FX or its assets;
- (o) no actions, claims, litigation or other form of proceedings that were not fully and fairly disclosed to the Offeror prior to the Notice Date or, publicly notified

or commenced prior to the Notice Date, are threatened, notified or commenced against, or by, FX that have, or could reasonably be expected to have, a Material Adverse Effect;

- (p) no board resolution or shareholders' resolution of FX is passed to do or authorise the doing of any act or matter referred to in any of sub-paragraphs (a) to (o) (inclusive);
- (q) no breach of a warranty or legal requirement in relation to any sale or licence of fibre optic capacity or services or other related agreement or arrangement provided by FX occurs, or material defect in any such matter is discovered or comes to light, that threatens or is reasonably likely to threaten the production of that product in a manner that has, or could reasonably be expected to have, a Material Adverse Effect;
- (r) all current licences, authorities, warrants, consents, approvals and permits from or issued by any authority including (without limitation) any government department, statutory, municipal or local body (**Licences**) which are material and necessary to enable FX to carry on its business fully and effectively are in full force and effect;
- (s) FX is not in breach of any of the terms of the Licences where that breach has, or could reasonably be expected to have, a Material Adverse Effect;
- (t) no resolution is passed for any amalgamation or liquidation of FX or any of its subsidiaries (other than in respect of a wholly owned subsidiary of FX which is not trading and has no material assets or liabilities), and none of them is involved in any merger, share buyback or scheme of arrangement;
- (u) no proceedings or formal investigation are commenced by any regulatory authority in relation to any products sold or distributed by FX which has had, or could reasonably be expected to have, a Material Adverse Effect;
- (v) there is no challenge to the validity or unencumbered ownership of any of the trade marks or other intellectual property owned or purportedly owned by FX which has had, or could reasonably be expected to have, a Material Adverse Effect;
- (w) there has not occurred any event (including without limitation any natural disaster, accident, change of law, regulation or act of terrorism), change or condition that has, or could reasonably be expected to have, a Material Adverse Effect; and
- (x) there have not occurred any events, circumstances or conditions of the nature referred to in any of sub-paragraphs (a) to (w) (ignoring, for this purpose, any materiality or similar qualifications therein) which (while not causing a failure of any of the conditions set out in any such paragraphs), when aggregated with all other such events, changes, circumstances or conditions (ignoring, for this purpose, any materiality or similar qualifications therein) that have occurred, have an overall impact which, taken as a whole, has, or could reasonably be expected to have, a Material Adverse Effect.

5.3 The following actions by FX shall be deemed to be material to FX and not to be normal or in the ordinary course for the purposes of paragraph 5.2:

- (a) the making of (or agreeing to make) unusual or abnormal payments, or the incurring of (or agreeing to incur) unusual or abnormal commitments or liabilities (including contingent liabilities);
- (b) the making of any unusual payment of income tax, including taxation in advance;
- (c) without prior consultation with the Offeror, the undertaking of or committing to any capital expenditure or divestment (other than in the ordinary course of business over \$200,000 (in aggregate));
- (d) the entry into, or material variation of, onerous, long-term or material contracts, commitments or arrangements (except in the normal and ordinary course of business), or any major transactions (as defined in section 129(2) of the Companies Act 1993); or
- (e) the making of an announcement to do any of the actions set out in subparagraphs (a) to (d) above.

For the purposes of paragraph 5.2 and this paragraph 5.3, references to "FX" shall be deemed to include references to all subsidiaries, subsidiary undertakings and joint ventures of FX.

5.4 To the extent required by the Takeovers Code, where any condition set out in paragraphs 4, 5.1 or 5.2 (together **Conditions**) requires a determination as to whether a matter is or could reasonably be expected to be material or not, is adverse or not, is onerous or not, is long term or not, is normal or not, is in the ordinary course of business or not, is consistent with past practices or not, or is of a formal or technical (and not substantive) nature or not, before the condition may be invoked, such determination must be made by a suitably qualified expert nominated by the Offeror (after consultation with FX) who is independent of, and not an associate of, the Offeror.

5.5 Notwithstanding any other term of the Offer, the Offeror may not allow the Offer to lapse:

- (a) in unreasonable reliance on a condition of the Offer; nor
- (b) in reliance on a condition that restricts FX's activities in the ordinary course of the conduct of its business during the period commencing on the Notice Date and ending on the Condition Date (as extended, if applicable, in accordance with the Takeovers Code).

5.6 The Conditions are for the sole benefit of the Offeror and, accordingly, each such Condition may be waived, in whole or in part, by the Offeror, and on such terms as it decides, in its sole discretion (subject to paragraph 5.5 above and the Takeovers Code). Any waiver or consent given by the Offeror in respect of any matter or thing shall apply only in accordance with its terms and shall not constitute a consent or waiver in respect of any similar matter or thing.

5.7 Each Condition is a separate condition subsequent, and acceptance of this Offer by each Acceptor shall constitute a contract between that Acceptor and the Offeror subject to those Conditions. This Offer will only proceed if all Conditions are satisfied or, to the extent permissible, waived.

6. CHANGE IN CIRCUMSTANCES

6.1 If, on or after the Notice Date, FX authorises, declares, makes, or pays any dividend or any distribution (within the meaning of the Companies Act 1993) of any nature whatsoever (including, for the avoidance of doubt, by way of share buyback, redemption or cancellation or any other form of capital reduction) and:

- (a) the condition in paragraph 5.2(a) is waived by the Offeror; and
- (b) either:
 - (i) this Offer is unconditional; or
 - (ii) this Offer subsequently becomes unconditional,

then, at the election of the Offeror (and subject to the terms of any waiver referred to in paragraph (a) above), each Acceptor will be bound to pay to the Offeror on demand the Distribution Amount, or the consideration which would otherwise have been provided to each Acceptor for their FX Shares shall be adjusted to reflect the Distribution Amount. For the purposes of this clause 6.1, **Distribution Amount** means the amount of any dividend or the value of any other distribution on shares transferred to the Offeror pursuant to this Offer (for the avoidance of doubt grossed up to include the amount of any withholding taxes deducted, if applicable) that is received by, or properly payable to, the Acceptor.

6.2 If, on or after the Notice Date, FX authorises, declares, or makes any issue of shares, convertible securities or other securities of any nature (including options, rights or interests in its ordinary shares), by way of bonus issue and:

- (a) the condition in paragraph 5.2(b) is waived by the Offeror; and
- (b) either:
 - (i) this Offer is unconditional; or
 - (ii) this Offer subsequently becomes unconditional,

then each Acceptor will, subject to the terms of any waiver referred to in paragraph (a) above, be bound to transfer any such shares, convertible securities, other securities or options, rights and interests issued in respect of those FX Shares for which they have accepted this Offer to the Offeror, without any additional consideration.

6.3 If, on or after the Notice Date, FX makes any issue of ordinary shares to any person other than by way of bonus issue and:

- (a) the condition in paragraph 5.2(b) is waived by the Offeror; and
- (b) either:
 - (i) this Offer is unconditional; or
 - (ii) this Offer subsequently becomes unconditional,

then this Offer will be deemed to be extended to and include such ordinary shares and the consideration payable for them will be as provided in paragraph 2.1.

- 6.4** If, on or after the Notice Date, all or any of the FX Shares are subdivided or consolidated by FX, or the number of FX Shares is reduced other than by way of subdivision or consolidation by FX, then:
- (a) this Offer may be adjusted to take into account that subdivision, consolidation or reduction and will be deemed to be for the FX Shares resulting from that subdivision, consolidation or reduction;
 - (b) to the extent it has not already been adjusted under clause 6.1, consideration which would otherwise have been provided to each Acceptor for their FX Shares shall be adjusted, as the case may require, in proportion to that subdivision, consolidation or reduction; and
 - (c) each Acceptor will be bound to transfer those FX Shares, as subdivided, consolidated or reduced, to the Offeror on the basis of the consideration so increased or reduced.

7. HOW TO ACCEPT THIS OFFER

7.1 To accept this Offer, you need only:

- (a) complete the Acceptance Form enclosed with this Offer Document in accordance with the instructions on the Acceptance Form; and
- (b) return the completed Acceptance Form by post (in the reply-paid envelope which is enclosed with this Offer), by hand or by courier **AS SOON AS POSSIBLE** after receipt of this Offer, but in any event so that it is received by the Offeror no later than 5.00p.m. on the Closing Date. Acceptance Forms must be returned to:

"Vocus – FX Networks Takeover Offer"

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
New Zealand

OR

"Vocus – FX Networks Takeover Offer"

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna
Auckland
New Zealand

A reply-paid envelope is enclosed with this Offer Document. Acceptance Forms will not be accepted by fax or email. Send the original by post, courier or deliver to either of the above addresses.

- 7.2** No acknowledgement of receipt of acceptances of this Offer will be issued. Any acceptance received by New Zealand Post, correctly stamped and addressed shall be deemed to be received by the Offeror.
- 7.3** The Offeror may, in its discretion, treat any Acceptance Form as valid notwithstanding that it does not otherwise comply with paragraph 7.1 or any instructions on the Acceptance Form, and may, in its discretion, rectify any errors in, or omissions from, any Acceptance Form to enable that form to constitute a valid acceptance of the Offer and to facilitate registration of the transfer of the relevant FX Shares. The Offeror may, in its discretion, allow for acceptance in any other manner it wishes.
- 7.4** Acceptance of this Offer by each Acceptor constitutes a contract between that Acceptor and the Offeror on the terms and subject to the conditions of this Offer and the Takeovers Code. Other than in the circumstances set out in paragraph 2.3, an Acceptor may not withdraw their acceptance, whether or not there has been any variation of this Offer. The Offeror and every Acceptor shall be released from their obligations under this Offer, and arising from acceptance of this Offer, if this Offer:
- (a) is withdrawn with the consent of the Takeovers Panel; or
 - (b) lapses as a result of any Condition not being satisfied or waived by the Condition Date.

8. METHOD OF SETTLEMENT

- 8.1** If:
- (a) this Offer is declared unconditional; and
 - (b) an Acceptor's Acceptance Form is in order (or any error or omission from the Acceptance Form is rectified by the Offeror or the Offer is otherwise accepted by the Offeror under paragraph 7.3),
- then the Acceptor's shares in FX will be transferred to Vocus NZ and the consideration due to the Acceptor (in exchange for its shares in FX) will be satisfied as follows:
- (c) in respect of any Cash Amount which an Acceptor has elected to receive in respect of its FX Shares, by a cheque despatched (by ordinary mail) to the last known address of the relevant Acceptor; or
 - (d) in respect of any Vocus Shares which an Acceptor has elected to receive in respect of its FX Shares, by the entry of that Acceptor's name in the share register of Vocus as the registered holder of the relevant number of Vocus Shares.
- 8.2** If a cheque referred to in paragraph 8.1(c) above is not banked within 60 Business Days of the cheque being despatched, the Offeror shall cancel that cheque and deposit the relevant Cash Amount in an interest bearing trust account with a registered bank and hold it in on trust for the Acceptor until it is claimed. The Offeror may, if it becomes a Dominant Owner (as defined in the Takeovers Code), transfer its interest in this trust account to the Target so that it may also be operated as an account maintained under Rule 61 of the Takeovers Code.

9. NOTICES

9.1 Notices given to FX, the Takeovers Panel and ASX:

- (a) declaring this Offer unconditional;
- (b) advising that this Offer is withdrawn in accordance with the Takeovers Code;
- (c) advising that a term or condition of this Offer has been waived; or
- (d) advising that this Offer has lapsed in accordance with its terms or the Takeovers Code,

will, in each case, be deemed to be notice to all the FX Shareholders when so given.

9.2 Notice of any variation of this Offer will be sent to FX, the Takeovers Panel, ASX and, except where not required in accordance with the Takeovers Code, to each of the FX Shareholders under this Offer.

10. FURTHER INFORMATION AND MISCELLANEOUS

10.1 Further information relating to this Offer, as required by Schedule 1 to the Takeovers Code, is set out in Schedule A to this Offer and forms part of this document.

10.2 In this document:

- (a) any reference to the Takeovers Code means the New Zealand Takeovers Code in force at the relevant time;
- (b) except as expressly defined in this document, or where the context requires otherwise, terms defined in the Takeovers Code have the same meaning in this document;
- (c) references to dollars and \$ are references to New Zealand dollars and all amounts payable under this agreement are payable in New Zealand dollars;
- (d) headings are for ease of reference only and will not affect the interpretation of this document or the Acceptance Form;
- (e) references to any statutory provision are to statutory provisions in force in New Zealand and include any statutory provision which amends or replaces it, and any by-law, regulation, order, statutory instrument, determination or subordinate legislation made under it;
- (f) the singular includes the plural and vice versa;
- (g) unless otherwise specified, material and materiality will have their respective ordinary and customary meanings; and
- (h) a matter will be deemed to have a Material Adverse Effect if such matter (if quantifiable) has an impact of \$500,000 or more with respect to the assets, liabilities, financial position or performance, profits, losses or prospects of FX (and any of its subsidiaries or subsidiary undertakings considered as a whole).

10.3 This Offer may be varied by the Offeror in accordance with Rule 27 of the Takeovers Code.

10.4 This Offer and any contract arising from it shall be governed by and construed in accordance with the laws of New Zealand, and the parties to any such contract submit to the non-exclusive jurisdiction of the Courts of New Zealand.

10.5 The provisions set out in the Acceptance Form are part of the terms of this Offer.

If there is an inconsistency between the terms and conditions of this Offer and the provisions of the Takeovers Act 1993 or the Takeovers Code, the provisions of the Takeovers Act 1993 or the Takeovers Code (as the case may be) will prevail.

GLOSSARY

In this document, unless the context otherwise requires:

Acceptance Form means an acceptance form substantially in the form attached to this Offer Document

Acceptor means any person accepting the Offer and **Acceptors** has the corresponding meaning

Aggregate Cash Amount means, for all FX Shareholders within a Shareholder Group, the aggregate of all Total Cash Amounts

ASX means the Australian Securities Exchange

AUD means Australian dollars

Cash Amount means NZ\$79.30, being the amount of cash, expressed in New Zealand dollars to be offered for each FX Share pursuant to the Terms and Conditions of the Offer (subject to adjustment, if applicable, in accordance with clause 2 of the Terms and Conditions of the Offer)

Cash Cap has the meaning given in paragraph 2.4 of the Terms and Conditions of the Offer;

Cash Election Shareholder means those FX Shareholders electing to receive the Cash Amount

Cash Election Shortfall means the amount, in NZD, by which the amount received by a Cash Election Shareholder in respect of those FX Shares in respect of which it has elected to receive the Cash Amount is less than the total consideration due in respect of those FX Shares as a result of the scaling mechanic set out in paragraph 2.4 of the Terms and Conditions of the Offer

CBA means Commonwealth Bank of Australia

Closing Date has the meaning set out in paragraph 1.3 of the Terms and Conditions of the Offer

Conditions has the meaning given in clause 5.4 of the Terms and Conditions of the Offer

Condition Date has the meaning given in clause 3.2 of the Terms and Conditions of the Offer

Distribution Amount has the meaning given in clause 6.1 of the Terms and Conditions of the Offer

Default Consideration has the meaning given in clause 2.1 of the Terms and Conditions of the Offer

Defaulting Holder has the meaning given in paragraph 6.3 of Schedule A

Drag Provision means the provision set out in the FX Shareholders' Agreement permitting those Acceptors, together, holding more than 65% of the FX Shares, to require the remaining FX Shareholders to also sell their shares

Escrow Commitment means a commitment, in the form enclosed with this Offer Document and as described in paragraph 3.6 of the Terms and Conditions of the Offer, by an FX Shareholder who elects to receive Vocus Shares not to dispose of those Vocus Shares within a certain period of the Closing Date

Escrow Shareholder means any FX Shareholder making an Escrow Commitment

Financing Arrangements means the conditional financing arrangements entered into by Vocus with CBA in connection with the Offer

FX means FX Networks Limited (NZCN 1371006) and **Target** has a corresponding meaning

FX Share means a fully paid ordinary share in FX and **FX Shares** has a corresponding meaning

FX Shareholders means holders of FX Shares recorded as holding FX Shares on the Record Date and **FX Shareholders** has a corresponding meaning

FX Shareholders' Agreement means, collectively, those agreements between FX and certain of its shareholders regulating the ownership and control of FX

Group Maximum Cash Amount means, in respect of each Shareholder Group, that proportion of the Cash Cap which is equal to the proportion which the aggregate shareholding of that group bears to the total issued share capital of FX

Initial Equity Value has the meaning given in paragraph 2.2 of the Terms and Conditions of the Offer

Initial Acceptors means the FX Shareholders which accept the Offer prior to the Closing Date

Licences has the meaning given in paragraph 5.2 of the Terms and Conditions of the Offer

Lock Up Party has the meaning given in paragraph 6.1 of Schedule A

Material Adverse Effect has the meaning give in paragraph 10.2(h) of the Terms and Conditions of the Offer

NZD means New Zealand Dollars

NZ Vocus Share Price means NZ\$4.732

Notice Date has the meaning given in paragraph 1.2 of the Terms and Conditions of the Offer

Offer means the offer of Vocus Shares or the Cash Amount to FX Shareholders in return for FX Shares as set out in this Offer Document

Offer Date means 18 August 2014

Offer Document means this offer document

Recipient has the meaning given in paragraph 6.3 of Schedule A

Record Date means 7 August 2014

Securities Act means the New Zealand Securities Act 1978

Share Election Shareholder means those FX Shareholders electing to receive Vocus Shares

Shareholder Group means each of the Initial Acceptors and the Squeeze Out Shareholders

Shareholder Loans has the meaning given in paragraph 8.1(c) of Schedule A

Squeeze Out Shareholders means the FX Shareholders who do not accept the Offer prior to the Closing Date

Takeovers Code means the Takeovers Code approved by the Takeovers Code Approval Order 2000 (SR 2000/210) as amended from time to time, and includes any applicable exemption from the Takeovers Code granted by the Takeovers Panel

Takeovers Panel means the New Zealand Takeovers Panel established under the Takeovers Act 1993

third party offer has the meaning given in paragraph 6.3 of Schedule A

Total Cash Amount means, in respect of a Cash Election Shareholder, the total Cash Amount which that FX Shareholder elects to receive pursuant to the Terms and Conditions of the Offer

Vocus means Vocus Communications Limited (ABN 96 084 115 499)

Vocus NZ means Vocus (New Zealand) Holdings Limited, a wholly owned subsidiary of Vocus, and **Offeror** has a corresponding meaning

Vocus Share means a share in Vocus to be issued on a fully paid basis pursuant to the Offer and **Vocus Shares** has a corresponding meaning

SCHEDULE A: TAKEOVERS CODE INFORMATION

The information required by Schedule 1 to the Takeovers Code, and not stated elsewhere in this Offer Document, is set out below. Where any information required by Schedule 1 is not applicable, no statement is made regarding that information. All of the following matters are stated as at the Offer Date.

1. DATE

This Offer is dated 18 August 2014.

2. THE OFFEROR AND ITS DIRECTORS

2.1 The name and address of the Offeror are:

Vocus (New Zealand) Holdings Limited
7a Parkhead Place,
Albany,
Auckland 0632,
New Zealand

2.2 The directors of the Offeror are:

- (a) Richard Lee Correll; and
- (b) James Spenceley.

3. TARGET COMPANY

The target company is FX Networks Limited.

4. OWNERSHIP OF EQUITY SECURITIES OF THE TARGET

4.1 The table below sets out the number, designation, and percentage of equity securities of any class of FX held or controlled by:

- (a) the Offeror;
- (b) any related company of the Offeror;
- (c) any person acting jointly or in concert with the Offeror;
- (d) any director of any of the persons described in paragraphs (a) to (c); and
- (e) any other person holding or controlling more than 5% of the class, if within the knowledge of the Offeror.

Holder	Description	Number of FX Shares	Type of Equity Security	Percentage of Class
Peregrine Company Managers Limited and Peregrine Offshore Services Limited (as trustees for the Berrag Trust)	FX Shares held by a person holding or controlling more than 5%	259,976	Ordinary shares	33.50%
Penrith Holdings Limited	FX Shares held by a person holding or controlling more than 5%	145,110	Ordinary shares	18.70%
Stuart Charles Lobley	FX Shares held by a person holding or controlling more than 5%	92,286	Ordinary shares	11.89%

Notes:

- (1) All information in the above table has been derived from information provided by FX, being the only such information within the knowledge of the Offeror.
- (2) The information in the table above and the confirmation in paragraph 5 below is based on information known at the Offer Date.
- (3) Reference is made to paragraph 6 below which sets out certain lock up arrangements entered into between certain key FX Shareholders and the Offeror.

4.2 Except as set out in the table above, no person described in paragraphs 4.1(a) to 4.1(d) of this Schedule holds or controls equity securities of the Target.

5. TRADING IN THE TARGET'S EQUITY SECURITIES

None of the persons referred to paragraphs 4.1(a) to 4.1(d) have acquired or disposed of any equity securities in the Target during the six month period ending on the Offer Date.

6. AGREEMENTS TO ACCEPT OFFER

6.1 Each of the following shareholders of the Target (the **Lock Up Party**) has entered into an agreement with the Offeror under which the Lock Up Party has agreed to accept the Offer in respect of its holding of FX Shares.

Name	Number of FX Shares as of the Offer Date	% of FX Shares (788938)	Date of Lock Up Agreement
Peregrine Company Managers Limited and Peregrine Offshore Services Limited (as trustees for the Berrag Trust) *	259,976	33.50%	23 July 2014
Penrith Holdings Limited	145,110	18.70%	23 July 2014
Stuart Charles Lobley*	92,286	11.89%	23 July 2014
Vincent Douglas Titchmarsh	24,103	3.11%	23 July 2014
Putake Networks Limited	37,309	4.81%	23 July 2014
Anne Fane De Salis and Neil Farquhar Pithie as Trustees for the Anne Fane de Salis Family Trust *	32,372	4.17%	23 July 2014

Murray Jurgeleit, Christine Jurgeleit and LP Corporate Trustee Limited*	18,641	2.40%	23 July 2014
Charles Stuart Lobley and Tynwald Pensions Limited as trustees of the CSL Pension Scheme*	12,581	1.62%	23 July 2014

Notes:

(1) "*" indicates a shareholder which is associated with a director or officer of the Target.

6.2 The material terms of the agreement(s) referred to above are:

- (a) the Lock Up Party has agreed to accept the Offer in respect of its entire holding of FX Shares on or before the later of the date which is two business days after the date of despatch of the Offer and the business day after the Lock Up Party receives the Offer;
- (b) the Lock Up Party retains the right to exercise and/or control the exercise of all voting rights attached to their FX Shares until the Offer becomes unconditional; and
- (c) except in the case of Putake Networks Limited, the Lock Up Party has agreed to exercise its rights under the Drag Provision in the FX Shareholders' Agreement as described in paragraph 6.3 below.

6.3 The FX Shareholders' Agreement includes a Drag Provision whereby, if any one or more FX Shareholders holding 65 percent or more of the FX Shares (the **Recipient**) receives a bona fide offer from a third party (a **third party offer**) to purchase all of its FX Shares which the Recipient wishes to accept, then all other FX Shareholders who are parties to that agreement are obliged to dispose of their FX Shares pursuant to the third party offer. FX Shareholders holding the relevant percentage of the FX Shares have confirmed that:

- (a) they intend to accept the Offer;
- (b) as a result, any other FX Shareholders who are parties to the FX Shareholders' Agreement (**Defaulting Holders**) will, by virtue of the Drag Provision, be required to accept the Offer; and
- (c) pursuant to their rights under the FX Shareholders' Agreement, they will (or will procure that any two directors of FX will) do all such things necessary and execute such documents on behalf of the Defaulting Holders to facilitate the transfer of the FX Shares to the Offeror in accordance with the terms of the Offer.

6.4 Except as set out above, there are no persons who have agreed conditionally or unconditionally to accept the Offer.

7. ARRANGEMENTS TO PAY CONSIDERATION

7.1 The Offeror confirms that resources will be available to it sufficient to meet the consideration to be provided on full acceptance of this Offer and to pay any debts incurred in connection with this Offer (including the debts arising under Rule 49 of the Takeovers Code).

7.2 A statement setting out the rights of each FX Shareholder under Rule 34 of the Takeovers Code, to withdraw acceptance for non-payment by the Offeror of the consideration, is set out in paragraph 2.3 of the terms and conditions of this Offer.

8. ARRANGEMENTS BETWEEN THE OFFEROR AND THE TARGET

8.1 In connection with the Offer:

- (a) Vocus NZ and the Target have entered into a pre-bid agreement which sets out:
- (i) certain pre-conditions to Vocus NZ making the Offer;
 - (ii) the obligations of each of Vocus NZ and the Target in facilitating the Offer;
 - (iii) the Target's obligations not to solicit alternative offers during the currency of the Offer; and
 - (iv) certain warranties given by the Target to the Offeror in relation to the business and operations of the Target.
- (b) Vocus NZ and the Target have agreed that on or around settlement of the Offer, Vocus NZ will procure the assumption or repayment of:
- (i) the finance leases of the Target of \$16.2m; and
 - (ii) the remaining bank debt of the Target of \$30.7m.
- (c) Vocus NZ and the Target have agreed that, on or around settlement of the Offer, Vocus NZ will procure repayment of the ordinary (non-convertible) shareholder loans (**Shareholder Loans**) to the parties and in the amounts set out in the table below (plus interest accrued to closing).

Shareholder	Principal and Accrued Interest as at 30 June 2014 (estimate)	Interest rate (per annum)
Charles Stuart Lobley*	\$967,917.40	7%
Colin Barry Hill (Loan 1) *	\$4,318.56	7%
Colin Barry Hill (Loan 2) *	\$695,262.36	13%
Pauline Hill*	\$12,439.96	7%
Alexandra Jane Hill*	\$212,531.71	12%
Anne Fane de Salis and Neil Farquhar Pithie as Trustees for the Anne Fane de Salis Family Trust*	\$168,904.72	12%
Rebecca Emma Lisala	\$108,131.12	12%
Charlotte Anne Bray (Nee Hill)*	\$409,183.73	12%
Titchmarch Marina (Walton-on-the-Naze) Limited	GBP250,000.00 + NZD13,197.83 Interest	12%
Jennifer Hulme	\$59,937.73	12%

Jurgeleit Family Trust*	\$3,063.87	12%
Peregrine Company Managers Limited and Peregrine Offshore Services Limited (as trustees for the Berrag Trust) *	\$3,128,478.52	7%
Alan Hulme	\$3,442.47	12%
Locke Family Trust	\$424.78	12%
Cheviot Capital (Nominees) Limited	\$256,750	12%

Notes:

(1) "*" indicates a shareholder which is associated with a director or officer of the Target.

Each of the persons set out in the table above has executed a letter agreement with FX confirming that they will accept repayment of the principal and interest set out above, on (or around) settlement of the Offer, in full and final settlement of any rights which that person may have under the relevant Shareholder Loan. In addition, Cheviot Capital (Nominees) Limited has agreed irrevocably to waive the right which it previously held to elect to convert the indebtedness (including both principal and interest) under its loan into FX Shares.

8.2 Other than as described above, no agreement or arrangement (whether legally enforceable or not) has been made, or proposed to be made, between the Offeror or any associates of the Offeror, and the Target or any related company of the Target, in connection with, in anticipation of, or in response to, this Offer.

9. ARRANGEMENTS BETWEEN THE OFFEROR AND DIRECTORS AND OFFICERS OF THE TARGET

9.1 Shareholders should refer to paragraph 8 above for the details of any arrangements relating to repayment of certain outstanding debts owing to directors and officers of the Target.

9.2 Shareholders should refer to paragraph 6 above for the details of any arrangements relating to the commitment of certain directors or officers of the Target to accept the Offer and exercise rights under the Drag Provision.

9.3 Other than as described above and in paragraphs 6 and 8, no agreement or arrangement (whether legally enforceable or not) has been made, or proposed to be made, between the Offeror or any associates of the Offeror, and any of the directors or senior officers of the Target or of any related company of the Target (including any payment or other benefit proposed to be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office) in connection with, in anticipation of, or in response to, this Offer.

10. FINANCIAL ASSISTANCE

10.1 In connection with the refinancing of the debt set out in paragraphs 8.1(b) and (c), Vocus has entered into the Financing Arrangements with CBA. Pursuant to the Financing Arrangements, should the FX Shareholders holding, together, in excess of 90 per cent of the FX Shares, accept the Offer, CBA will take a security interest over the assets and undertaking of the Target.

- 10.2** Except as set out above, no agreement or arrangement has been made, or proposed to be made, under which the Target or any related company of the Target will give (directly or indirectly) financial assistance for the purpose of, or in connection with, this Offer.

11. LIKELIHOOD OF CHANGES IN THE TARGET

- 11.1** If the Offeror becomes entitled to invoke the compulsory acquisition provisions of the Takeovers Code, it intends to compulsorily acquire any outstanding FX Shares.
- 11.2** If the Offeror does not receive sufficient acceptances under this Offer to enable it to invoke the compulsory acquisition provisions of the Takeovers Code (which presupposes that the Drag Provision is not exercised), but nevertheless declares this Offer unconditional, the Offeror will in due course seek appropriate board representation on the Target board and will participate in decisions relating to the Target and its future.
- 11.3** Other than as set out in paragraphs 11.1 and 11.2 above, the Offeror does not currently intend to make material changes:
- (a) to the business activities of the Target or its subsidiaries;
 - (b) to the material assets of the Target or its subsidiaries; or
 - (c) except as set out in paragraphs 8 and 10 above, to the capital structure of the Target (including to its dividend policy, plans for raising capital or for taking on debt).

Although the Offeror reserves the right to make changes to the intention expressed above, except as set out elsewhere in this document, there is no other information known to the Offeror about the likelihood of changes to the Target or its subsidiaries that could reasonably be expected to be material to the making of a decision by an FX Shareholder to accept or reject the Offer. The statements made in this clause 11.3 are consistent with any information that has been given by the Offeror or Vocus to any regulatory body (in New Zealand or in an overseas jurisdiction) in relation to the Offer.

12. PRE-EMPTION CLAUSES IN THE TARGET'S CONSTITUTION

- 12.1** The Target's constitution provides that a holder of FX Shares cannot sell, assign, transfer, mortgage, charge or otherwise dispose of or agree to transfer any interest in all or any of its shares in the Target, except:
- (a) with the prior written approval of the remaining shareholders of the Target; or
 - (b) as the provision of any agreement between the Target and its shareholders otherwise expressly permits or requires; or
 - (c) pursuant to the acceptance of an offer made under the Takeovers Code for the voting securities of the Target not already held by the Offeror.

In addition, any transfer of FX Shares by a shareholder must be in relation to all of its shares held in the Target (unless otherwise determined by the Board of the Target).

- 12.2** Other than as described above, there are no restrictions on the right to transfer equity securities to which this Offer relates that:
- (a) are contained in the constitution of the Target; and

- (b) have the effect of requiring the holders of the securities to offer the securities for purchase to members of the Target or to any other person before transferring the securities.

13. ESCALATION CLAUSES

13.1 FX Shareholders should note the provisions relating to Shareholder Loans in paragraph 8 above. Prior to the date of this Offer, the holders of Shareholder Loan instruments have confirmed that they will accept the repayment of principal and accrued interest at closing of the Offer in full and final settlement of their rights under their respective instruments.

13.2 Other than as described above, as at the Offer Date, there are no agreements or arrangements (whether legally enforceable or not) under which:

- (a) any existing holder of equity securities in the Target will or may receive in relation to, or as a consequence of, this Offer any additional consideration or other benefit over and above the consideration set out in this Offer; or
- (b) any prior holder of equity securities in the Target will or may receive any consideration or other benefit as a consequence of this Offer.

14. CLASSES OF SECURITIES

No report is required under Rule 22 of the Takeovers Code (which, if the offer is for more than one class of securities, requires a report by an independent adviser on the fairness and reasonableness of the consideration and terms of the offer as between different classes of securities).

15. CERTIFICATE

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying the Offer Document is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Offeror under the Takeovers Code.



James Spenceley
Director/CEO



Richard Correll
Director/CFO

SCHEDULE B: INFORMATION REQUIRED BY THE SECURITIES ACT (VOCUS COMMUNICATIONS LIMITED) EXEMPTION NOTICE 2014

Vocus has been granted an exemption by the Financial Markets Authority in respect of the requirement to comply with Part 2 of the Securities Act 1978 and the Securities Regulations 2009 in connection of the issue of Vocus Shares pursuant to the Offer (the **Exemption**). The Exemption is set out in the Securities Act (Vocus Communications Limited) Exemption Notice 2014 (the **Exemption Notice**), a copy of which is enclosed with this Offer Document.

Under the Exemption Notice, the Exemption is conditional upon Vocus giving the confirmations set out below.

By despatching, or authorising the despatch of, this Offer Document, Vocus confirms that:

- (1) the offer is being made to eligible shareholders of FX in reliance upon the Exemption which replicates the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (NZ); and
- (2) as at the date of this document, Vocus is in compliance with:
 - (A) the continuous disclosure obligations that apply to it pursuant to the listing rules of the ASX in relation to the existing equity securities of the same class as the Vocus Shares; and
 - (B) all requirements imposed under:
 - (i) statute to prepare financial statements (or group financial statements) in relation to Vocus (or its group), to have those statements audited, and to lodge or register those statements; and
 - (ii) the listing rules of the ASX in relation to providing financial statements for Vocus for release to the market in relation to any more recent interim accounting period than the period to which the statements referred to in paragraph (a) apply.

Vocus is incorporated in Australia and listed on the ASX. It may not be subject in all respects to New Zealand law. Investors should satisfy themselves as to the tax implications of investing in an Australian company.

ENCLOSURE: ACCEPTANCE FORM

ACCEPTANCE FORM

**Vocus (New Zealand) Holdings Limited
FULL TAKEOVER OFFER FOR ALL SHARES IN
FX Networks Limited**

**SHAREHOLDER
(TRANSFEROR)**

**SECURITYHOLDER
DETAILS**

**NUMBER OF FX SHARES HELD AS AT 7
AUGUST 2014**

HOLDER NUMBER

**NUMBER OF FX SHARES IN
RESPECT OF WHICH YOU WISH TO
RECEIVE VOCUS SHARES ON
SETTLEMENT OF THE OFFER**

**NUMBER OF FX SHARES IN
RESPECT OF WHICH YOU WISH TO
RECEIVE A CASH AMOUNT ON
SETTLEMENT OF THE OFFER**

BY SIGNING THIS FORM THE TRANSFEROR HEREBY:

- (a) accepts the full takeover offer (**Offer**) dated 18 August 2014 by Vocus (New Zealand) Holdings Limited (**Transferee**) for the shares in FX Networks Limited (**FX Shares**) described above held by the Transferor;
- (b) subject to the terms and conditions of the Offer, transfers the Transferor's FX Shares to the Transferee;
- (c) as set out on the reverse of this form, appoints the Transferee the attorney of the Transferor; and
- (d) confirms that either:
 - (i) the share certificate(s) relating to all of the FX Shares held by the Transferor are enclosed with this acceptance form;
 - (ii) no share certificates were issued in connection with those FX Shares held by the Transferor; or
 - (iii) the share certificate(s) relating to those FX Shares held by the Transferor have been lost and will not be recovered (whether by the Transferor or otherwise),

and indemnifies the Transferee against any loss or liability arising from the confirmation set out above being incorrect.

PLEASE RETURN THIS FORM BY NO LATER THAN 5:00 PM ON 16 SEPTEMBER 2014 or, if the Closing Date of the Offer is extended, by the extended Closing Date, by post (in the reply-paid envelope which is enclosed), hand delivery or courier.

EXECUTED AND DELIVERED AS A DEED:		
FOR AN INDIVIDUAL OR JOINT HOLDERS / ATTORNEY	FOR A COMPANY / BODY CORPORATE	
Signed by the Transferor(s): _____ <i>Signature</i> _____ <i>Signature</i>	Witness: _____ <i>Signature</i> Name: Address: Occupation:	Signed by the Transferor(s) by: _____ <i>Director</i> _____ <i>Director</i>
Dated and executed the _____ day of _____ 2014.		

NOTES AND INSTRUCTIONS FOR COMPLETION

- 1. TO ACCEPT THE OFFER:** Complete and sign this form as a deed where marked "Signed by the Transferor(s)". Companies must sign in accordance with the Companies Act 1993.
- 2. JOINT HOLDERS:** If the FX Shares are registered in the names of joint holders, all must sign the form.
- 3. SHARES HELD BY NOMINEES:** If your FX Shares are held through a nominee, advise your nominee that you wish to sell all of your FX Shares and instruct your nominee to complete accordingly, sign and return the form to the Transferee in accordance with the instructions set out in this form.
- 4. POWER OF ATTORNEY:** If this form is signed under a power of attorney, the relevant power of attorney must be submitted with the form for noting and return, and the certificate printed below must be completed.
- 5. ON COMPLETION:** Place the signed form in the enclosed reply-paid envelope and post to the Transferee at either of the addresses below as soon as possible, but in any event so as to be received not later than the closing date for the Offer (which is, at the date of the Offer, 16 September 2014, but which may be extended under the Takeovers Code).

"Vocus – FX Networks Takeover Offer"
Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
New Zealand

OR

"Vocus – FX Networks Takeover Offer"
Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna
Auckland
New Zealand

The original can be returned by post (in the enclosed reply-paid envelope), by hand delivery or courier to either of the above addresses.

- 6. PREVIOUS SALE:** If you have sold all your FX Shares, please pass this form together with the Offer documents to your share broker or the purchaser(s) of such FX Shares. If you have sold part of your shareholding, record that fact on this form by amending the number of FX Shares noted as being held by you on the face of this form.
- 7. SALE OF PART HOLDING ONLY:** You may not accept this Offer in respect of part only of your FX Shares.
- 8. INTERPRETATION:** In this form references to the Transferor in the singular shall include the plural.

POWER OF ATTORNEY

BY THE TRANSFEROR'S EXECUTION ON THE FACE OF THIS FORM, THE TRANSFEROR hereby enters into a Power of Attorney in favour of the Transferee as follows:

As from the date of beneficial ownership, and title, to my/our FX Shares passing to the Transferee in accordance with the terms of the Offer, I/we hereby irrevocably authorise and appoint the Transferee (with power of substitution by the Transferee in favour of such person(s) as the Transferee may appoint to act on its behalf) as my/our attorney and agent to act for me/us and do all matters of any kind or nature whatsoever in respect of or pertaining to the FX Shares and all rights and benefits attaching to them as the Transferee may think proper and expedient and which I/we could lawfully do or cause to be done if personally acting as a legal or beneficial owner of the applicable FX Shares.

IF THIS FORM IS SIGNED UNDER POWER OF ATTORNEY, THE ATTORNEY(S) SIGNING MUST SIGN THE FOLLOWING CERTIFICATE:

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I/WE _____ *(insert name of attorney signing)*

of _____ *(Address and Occupation of attorney signing)*

HEREBY CERTIFY THAT:

1. by a Power of Attorney dated the _____ day of _____, the Transferor named and described on the face of this form (**Donor**) appointed me his/her/its/their attorney on the terms and conditions set out in that Power of Attorney.
2. I/we have executed the form printed on the face of this document as attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me/us.
3. at the date hereof I/we have not received any notice or information of the revocation of that Power of Attorney by the death (or winding up) of the Donor or otherwise.

Signed at _____ this _____ day of _____ 2014

Signature(s) of Attorney(s) _____

Note: Your signature does not require witnessing

**ENCLOSURE: SECURITIES ACT (VOCUS COMMUNICATIONS LIMITED) EXEMPTION
NOTICE 2014**

ENCLOSURE: ESCROW COMMITMENT (RESTRICTION AGREEMENT)

We, the persons in:

- Item 1 of the schedule (“entity”);
- Item 2 of the schedule (“holder”);
- Item 3 of the schedule (“controller”),

agree as follows.

Introduction

- A. The entity intends to issue securities to the holder which the holder agrees will be held by it as restricted securities in accordance with this agreement. We agree it is a condition of the issue of the restricted securities that we will comply with this agreement.
- B. We have provided ASX with all the information necessary to properly form an opinion about who is a controller of the holder and who is required to execute this agreement.
- C. We enter this agreement for the purpose of complying with chapter 9 of the listing rules and Guidance Note 11 of the listing rules as it applies to voluntary escrow arrangements.

Agreement

Escrow restrictions

- 1. During the escrow period, the holder will not do any of the following.
 - (a) Dispose of, or agree or offer to dispose of, the restricted securities.

- (b) Create, or agree or offer to create, any security interest in the restricted securities.
 - (c) Do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the restricted securities.
 - (d) Participate in a return of capital made by the entity.
2. During the escrow period, a controller will not do any of the following.
- (a) Dispose of, or agree or offer to dispose of, the controller interests.
 - (b) Create, or agree or offer to create, any security interest in the controller interests.
 - (c) Do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the controller interests.
3. We will comply with chapter 9 of the listing rules. If any of us is not a listed entity, we will comply as if we were a listed entity. Each of us will take any steps we are able to take that are necessary to enable any of the others to comply.
4. (a) If the restricted securities are kept on the certificated subregister, the holder will deposit the certificates for the restricted securities with a bank or recognised trustee for the escrow period.
- (b) If the restricted securities are kept on the issuer sponsored subregister, the holder hereby agrees in writing to the application of a holding lock to the restricted securities.

Warranties

5. If only the holder and the entity are parties to this agreement, one of the following applies.
- (a) The holder is an individual.
 - (b) The holder has no controller.
 - (c) The holder has the controllers set out in item 3 with the interests identified in item 6, and each controller comes within an exception set out in rule 9.1.4.

The holder gives this warranty.

6. If the holder, the entity and any controller are parties to this agreement, the holder has the controllers set out in item 3 with the controller interests identified in item 6, and any controller who is not a party to this agreement comes within an exception set out in rule 9.1.4. The holder and each controller give this warranty.
7. If item 7 of the schedule is completed, the full particulars of security interests which have been created, or are agreed or offered to be created, in the restricted securities are set out. A release of the security interests is attached. Apart from this, before the escrow period begins, the holder has not done, or omitted to do, any act which would breach clause 1 if done or omitted during the escrow period. The holder gives this warranty.

8. If item 8 of the schedule is completed, the full particulars of security interests which have been created, or are agreed or offered to be created, in the controller interests are set out. A release of the security interests is attached. Apart from this, before the escrow period begins, the controller has not done, or omitted to do, any act which would breach clause 2 if done or omitted during the escrow period. Each controller gives this warranty.
9. A breach of any of these warranties is a breach of this agreement.

Consequences of breaching this agreement

10. If it appears to the entity that the holder or a controller may breach this agreement, the entity must take the steps necessary to prevent the breach, or to enforce the agreement.
11. If the holder or a controller breach this agreement, each of the following applies.
 - (a) The entity must take the steps necessary to enforce the agreement, or to rectify the breach.
 - (b) The entity must refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the restricted securities. This is in addition to other rights and remedies of the entity.
 - (c) The holder of the restricted securities ceases to be entitled to any dividends, distributions or voting rights while the breach continues.

Amendment

12. This agreement will not be changed or waived without ASX's written consent.

Jurisdiction

13. The laws of the State of the home branch of the entity apply to this agreement. We submit to the jurisdiction of the courts of that State.

Definitions and interpretation

In this agreement:

ASX means ASX Limited.

controller interests means the securities, substantial economic interest or other interests in the restricted securities and each intermediate entity through which that interest occurs, full particulars of which are set out in item 6 of the schedule.

escrow period means the period set out in item 4 of the schedule.

restricted securities means the securities set out in item 5 of the schedule and any securities attaching to or arising out of those securities that are restricted securities because of the definition of restricted securities in the listing rules.

The singular includes the plural and vice versa.

A reference to a party includes its successors, personal representatives and transferees.

Words and expressions defined in the listing rules of ASX, and not in this agreement, have the meanings given to them in the listing rules.

Every warranty or agreement (expressed or implied) in which more than one person joins, binds them individually and any combination of them as a group.

Schedule

1. Entity's name and address:	Vocus Communications Limited (ABN 96 084 115 499) of Vocus House, Level 1, 189 Miller Street, North Sydney NSW 2060, Australia
2. Holder's name and address:	
3. Each controller's name and address:	[N/A]
4. Escrow period (the date from which the initial restricted securities are escrowed):	12 months and 6 months from the date of issue of shares as more particularly set out in paragraph 5 below.
5. Particulars of restricted securities:	<p><i>[Note: for the purposes of this paragraph 5, in respect of any given FX Shareholder, "Net Shareholding" means the number of Vocus Shares issued to that shareholder pursuant to the Offer, less 40,000]</i></p> <ul style="list-style-type: none"> • <i>[Note: insert 50% of Net Shareholding]</i> fully paid ordinary shares, to be issued by the Entity to the Holder on, or about, 19 September 2014 to be restricted for 12 months from the date of issue; and • <i>[Note: insert 100% of Net Shareholding]</i> fully paid ordinary shares, to be issued by the Entity to the Holder on, or about, 19 September 2014 to be restricted for 6 months from the date of issue. <p>Regardless of any other provision in this Restriction Agreement, a share will not be a restricted security in respect of any transaction which results in that share becoming secured, by the Holder, in favour of the security holder referred to in item 7 below (being a recognised financial institution).</p>
6. Particulars of controller interests:	[N/A]
7. Particulars of security interests over restricted securities:	[N/A]
8. Particulars of security interests over controller interests:	[N/A]

Dated:

EXECUTED as a **DEED** by **Vocus Communications Limited (ABN 96 084 115 499)** in accordance with Section 127 of the *Corporations Act 2001*:

*Director/*Company Secretary

Director

Name of *Director/*Company Secretary
(BLOCK LETTERS)
*please delete as appropriate

Name of Director
(BLOCK LETTERS)

[Note: to be executed as a Deed by FX Shareholder]

SIGNED AND SEALED by

in the presence of:

[]

Witness

Name of Witness
(BLOCK LETTERS)