

## DIVIDEND AND LOYALTY OPTIONS

### Tag and MPower 'Integration Proposal'

**Sydney – 17 September 2012 – Tag Pacific Limited** (ASX: TAG) confirms that the following capital management initiatives will proceed now that the Integration Proposal between Tag and its subsidiary MPower has become unconditional.

Under the Proposal, Tag will move from 59% to 100% ownership of MPower.

#### Dividend

Tag directors have today declared a fully franked dividend of 5.0 cents per share, comprising a 1.0 cent per share dividend component in respect of the year to 30 June 2012 and a 4.0 cent per share special dividend component. The dividend reinvestment plan will not apply to this dividend.

#### Loyalty options

A bonus issue of free loyalty options will be made to Tag shareholders on a one for seven (1:7) basis. The options will have an exercise price of 20 cents and will have an expiry date of 4 October 2017. Application will be made for the options to trade on the ASX.

A prospectus for the issue of the loyalty options has been lodged with ASIC today.

#### Timetable

Tag shares quoted ex loyalty option entitlement and ex dividend	Thursday 20 September 2012
Loyalty options commence trading on ASX on deferred settlement basis	Thursday 20 September 2012
Record date to determine entitlement to bonus options and dividend	Wednesday 26 September 2012
Integration Proposal completion date. MPower shares transferred to Tag and new Tag shares issued	Friday 28 September 2012
Payment date for dividend	Thursday 4 October 2012
Despatch of prospectus and statement for options	Thursday 4 October 2012
Trading in loyalty options commences on a normal settlement basis	Friday 5 October 2012

Tag Pacific Limited  
ABN 73 009 485 625

Phone +61 2 8275 6000  
Fax +61 2 8275 6060

Level 30 Piccadilly Tower  
133 Castlereagh Street  
GPO Box 4032  
Sydney NSW 2001  
Australia

TAGPAC.COM  
MPOWER.COM.AU

**m**power  
A Tag Company



**ASX ANNOUNCEMENT (continued)**

**ENDS**

**For further information please contact:**

Darrell Godin  
Company Secretary  
Tag Pacific Limited  
T: +61 2 8275 6000