

ASX RELEASE – Thursday, 27 October 2011

Sale of Unmarketable Parcels



Jumbo Interactive has 1,399 shareholders of which 499 holders have an unmarketable parcel (ie. a value less than \$500) as at the close of trading on 21 October 2011. The total number of shares held by those shareholders with an unmarketable parcel of shares is 416,539 (out of total issued shares of 39,695,726).

The Company is offering to buy-back all of these shares at a price of 27.8 cents per share, being the Volume Weighted Average Price for the 10 day trading period from 10 October 2011 to 21 October 2011. These shares will be immediately cancelled once transferred to the Company in accordance with the *Corporations Act 2001*.

The Company is offering to buy-back the shares as a convenient and cost effective way for these shareholders to dispose of their shares. It will also reduce the ongoing administrative costs to the Company associated with these small holdings. In accordance with its Constitution and the *Corporations Act 2001*, the Company does not require shareholder approval for the buy-back of these shares.

Should all the shares subject to the Offer be bought back, the total consideration paid by the Company will be \$115,798. The Company will also bear all costs and expenses associated with the buy-back.

The letter from the Company containing the Offer is **attached**.

If applicable shareholders want to retain their shareholding, they must complete and return the Continuing Member Notice, which accompanies the Offer, to the share registry before the closing date for the Offer at 5:00pm AEST on 9 December 2011.

It is anticipated that shareholders who do not elect to retain their shares will receive payment of funds by 23 December 2011.

For further information:

Mike Veverka
CEO and Executive Director
Ph: 07 3831 3705
Web: www.jumbointeractive.com

27 October 2011

Dear Shareholder

Small Holding Sale Facility – Holders of Unmarketable Parcels of Shares

Jumbo Interactive Limited (**Company**) has decided to offer to buy-back the holdings of all shareholders in the Company with a holding of shares valued at less than \$500 (**Unmarketable Parcel**) under the terms set out in this Offer and the procedure in Section 257B of the *Corporations Act (Cth) 2001 (Corporations Act)*.

As at 7:00pm AEST on 21 October 2011 (**Record Date**), our records indicate that you are such a shareholder. Based on the closing price of the Company's shares on the Australian Securities Exchange (**ASX**) on the Record Date of 28.0 cents per share, an Unmarketable Parcel is any holding of 1,785 shares or less.

As at the Record Date, the Company has 1,399 shareholders of which 499 hold an Unmarketable Parcel. Due to the higher brokerage costs that you face in selling this number of shares and the ongoing share registry and shareholder communication costs to the Company associated with maintaining these small holdings, the Directors have resolved to activate the compulsory Unmarketable Parcel share sale provisions under Rule 75 of the Company's constitution to the extent that shareholders wish to divest their holding. This Offer is a convenient and cost effect way for you to sell your shares, free of brokerage.

No shareholder who wishes to retain their Company shares is compelled to sell their holding. Ultimately, it is your choice and you may elect to retain your shareholding.

Under the Offer, unless you elect to retain your shares, the Company will buy back your shares at 27.8 cents per share (being the volume weighted average price (VWAP) over the 10 day trading period from 10 October 2011 to 21 October 2011) and will pay you the proceeds by either deposit into the bank account previously nominated by you for receipt of dividends (for those shareholders that have provided their banking details to the Company as at the Record Date) or by cheque in Australian dollars mailed to the address on the share register. All costs incurred in this process will be met by the Company. All shares acquired under the Offer will be transferred to the Company and then immediately cancelled in accordance with the *Corporations Act 2011*.

If you wish to sell your shares under this Offer, you do not need to do anything.

If you wish to retain your shares in the Company, you MUST complete and return the enclosed Continuation Election Notice so it is received by the share registry by 5:00pm AEST on 9 December 2011 (Closing Date). If you do not return the Continuation Election Notice by 5pm on the Closing Date, your shares are liable to be subject to the buy-back by the Company under this Offer.

What you need to do

A. To sell your holding

If you wish to dispose of your shares in the Company, you do not need to do anything.

If you do **not** sign and return the Continuation Election Notice or increase your shareholding to a marketable parcel (valued at \$500 or more) by the Closing Date, the Company will notify you that your shares have been bought-back by the Company.

You cannot sell part of your shareholding under this Offer.

Unless otherwise instructed by you prior to the Closing Date, sale proceeds will be deposited into the bank account you have previously nominated for receipt of dividends (for those shareholders that have provided their banking details to the Company as at the Record Date) or paid to you by cheque in Australian dollars which will be mailed to the address on the share register. The Company anticipates that the sale proceeds will be paid to you within 10 business days of the Closing Date.

If you want your sale proceeds to be dealt with in a different manner than specified above, please notify the registry immediately.

Overseas shareholders will receive the sale proceeds in Australia dollars. If you wish to change your registered address, please contact the registry on 1300 552 270 (within Australia) or +61 3 9415 4000 (from outside Australia).

B. To retain your holding

If you wish to retain your shareholding you must return the **original** Continuation Election Notice completed and validly signed so it is received by the registry by no later than 5:00pm AEST on 9 December 2011. A facsimile copy of this Notice will **not** be accepted.

If you do not return the Continuation Election Notice by 5pm on the Closing Date, your shares will be liable to buy-back by the Company.

If you wish to increase your shareholding to a marketable parcel, you should contact your broker. If you have a number of holdings which you wish to consolidate, please contact the registry on 1300 552 270 (within Australia) or +61 3 9415 4000 (from outside Australia).

Important Notes

The Company reserves the right to change any of the dates referred to in this letter by notice to the ASX.

This letter does not constitute advice and is not a recommendation to buy, sell or hold shares in the Company or a recommendation that the Offer is the best way to sell your Unmarketable Parcel.

If you are in any doubt about what to do or questions concerning the effect of this Offer, including in respect of possible taxation implications, you should consult your legal, financial or taxation adviser.

If you have any questions concerning the contents of this letter, please contact our registry, Computershare Investor Services Pty Ltd, by telephone 1300 552 270 (within Australia) or +61 3 9415 4000 (from outside Australia).

Yours faithfully



Mike Veverka
Chief Executive Officer
Jumbo Interactive Limited

EXTRACT FROM CONSTITUTION - Rule 75

75. Sale of less than minimum holding

75.1 This Rule has effect notwithstanding any other provision of this Constitution to the contrary and shall override the same to the extent of any inconsistency.

75.2 In this Rule:

Continuation Election Notice means a notice by a Small Holder in the form contained on or enclosed with a Continuing Member Notice and completed and signed in accordance with the instructions on the Continuing Member Notice, notifying the Company that this Rule is not to apply to that Small Holder so that that Small Holder may remain as the holder of the securities registered in its name;

Continuing Member Notice means a notice issued pursuant to Rule 75.3 below;

Election Deadline means 5.00pm (Australian Eastern Standard Time) on a date specified in a Continuing Member Notice, being a date not less than six (6) weeks after the date of dispatch of that Continuing Member Notice;

Sale Consideration means the consideration received for the sale of any securities (less any unpaid calls instalments or interest (if any) accrued on those instalments) pursuant to this Rule;

Small Holders means persons registered, either alone or jointly with any other persons, as the holders of less than a Marketable Parcel of a class of securities in the Company.

75.3 Subject to the provisions of this Rule, the Board may determine no more than once in any twelve (12) month period, to require all (and not merely some) of the Small Holders of any class of securities in the Company to elect whether they wish to remain as the holders of the securities of that class in the Company registered in their name by forwarding to each such Small Holder (including all persons registered jointly) a Continuing Member Notice containing or enclosing:

- (a) details of the securities of that class in the company held by the Small Holder;
- (b) statements to the effect that:
 - (1) the Company intends to invoke the provisions of this Rule which allows for the sale of securities of that particular class held by all Small Holders in that class;
 - (2) if the Company does not receive from any such Small Holder a Continuation Election Notice by the Election Deadline, the Company will be, subject to this Rule, entitled to sell the securities of that particular class held by those particular Small Holders in its absolute discretion; and
 - (3) in the case of a Member whose securities are in a CHESS holding, that the Company may, without further notice, after the Election Deadline, move the securities from the CHESS holding to an Issuer Sponsored or certificated holding for the purpose of sale.
- (c) a Continuation Election Notice;
- (d) a copy of the text of this Rule; and
- (e) any other information which the Directors may desire to include.

- 75.4 If a Small Holder on whom a Continuing Member Notice has been served wants to keep the securities referred to in the Continuing Member Notice, the Small Holder must give the Company a Continuing Election Notice which must be received by the Company before the Election Deadline, in which event the Company will not sell the securities referred to in the Continuing Member Notice.
- 75.5 If a Small Holder on whom a Continuing Member Notice has been served does not give a Continuing Election Notice which is received by the Company before the Election Deadline, the Company shall be entitled to, subject to this Rule:
- (a) if the Small Holder holds those securities in a CHES Holding, move those securities from the CHES Holding to an Issuer Sponsored or a certificated holding for the purpose of the sale; and
 - (b) in any case, sell those securities in accordance with this Rule,
- but only if the securities held by the Small Holder in the class of securities the subject of the Continuing Member Notice on the Election Date is less than a Marketable Parcel.
- 75.6 Any securities to be sold pursuant to this Rule may be sold on such terms and conditions, in such manner, at such prices and to such persons (including the Company itself where authorised by law) as the Board may in its absolute discretion think fit and, for the purposes of such sale, each such Small Holder shall be deemed to have:
- (a) appointed the Company as its agent for sale;
 - (b) authorised the Company to effect on its behalf a transfer of the securities sold and to deal with the proceeds of the sale of the securities in accordance with this Rule;
 - (c) appointed the Company, its Directors and the Secretary at the relevant time jointly and severally as its attorney to execute any instrument or take such steps in its name and on its behalf as they or any of them may consider appropriate to transfer the securities so sold; and
 - (d) authorised each of the attorneys appointed under clause 75.6(c) to appoint an agent to do a thing referred to in clause 75.6(c).
- 75.7 Any transferee of any securities sold pursuant to this Rule shall not be bound to see to the regularity of any procedure or to the application of the purchase consideration in respect of such sale nor shall any transferee be required to produce the certificates in respect of such securities to enable registration. Once the transferee has been registered as the holder of such securities her/his title shall not be affected by any irregularity or invalidity in any procedure and the only remedy of any Small Holder aggrieved by the sale of its securities pursuant to this Rule shall be in damages only and against the Company exclusively and shall be limited to the amount of the relevant Sale Consideration.
- 75.8 The costs and expenses of any sale of securities pursuant to this Rule (including legal costs and disbursements, brokerage and stamp duty) shall be borne and paid by the Company.
- 75.9 The Sale Consideration shall be held by the Company in trust for the Small Holder whose securities have been so sold.
- 75.10 Upon receipt of the Sale Consideration, the Company shall forthwith notify such Small Holder in writing that the relevant class of securities held by it have been sold and that the relevant Sale Consideration is being held by the Company pending the receipt by the Company of written instructions as to how such moneys are to be dealt with. If the Small Holder has been issued with a share certificate or certificates, the Small Holder's instructions to be effective, must be accompanied by the share certificate or certificates in respect of such securities sold or, if the certificate or certificates have been lost or destroyed, by a statement and undertaking under section 1070D(5) of the *Corporations Act*.

75.11 Despite any provision of this Rule, either express or implied, to the contrary:

- (a) the Board shall not be bound to exercise the powers conferred by this Rule and shall be entitled, at any time prior to a sale of securities being effected, to suspend or terminate its use by written notice to the Small Holders affected;
- (b) the accidental omission by the Company to give any notice required under this Rule or the non-receipt of any such notice by any Small Holder shall not invalidate any action undertaken in good faith pursuant to this Rule;
- (c) the Board may in its absolute discretion settle any ambiguity, difficulty, anomaly or dispute which may arise in relation to the operation of this Rule; and
- (d) no sale of any securities pursuant to this Rule shall be undertaken if prior to such sale a takeover bid (within the meaning of Section 9 of the *Corporations Act*) to acquire securities of the same class as the securities which are to be sold pursuant to this Rule has either been announced as being intended to be made or has been made and is still open for acceptance.

75.12 In the event that the Company is Listed, this Rule shall be subject to the potential operation of the Listing Rules or the ASX Settlement Operating Rules (as the case may be) to the securities intended to be sold under this Rule.



Jumbo Interactive Limited
ABN 66 009 189 128

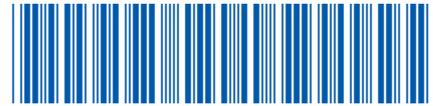


All correspondence to:
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(outside Australia) +61 3 9415 4394

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SAM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



I 1234567890 I N D

Use a **black** pen.
Print in **CAPITAL** letters
inside the grey areas.

A B C

1 2 3

Where a choice is required,
mark the box with an 'X'

X

For your security keep your SRN/HIN confidential.

Small Holding Sale Facility - Continuation Election Notice

IMPORTANT:

This is an important document and requires your immediate attention. If you wish to retain your ordinary shares ("Shares") in Jumbo Interactive Limited, you must complete this form and return it so that it is received by no later than 5.00pm (AEDT) on 9 December 2011. You should also refer to the detailed terms and conditions and other documents that accompanied this form. If you are in any doubt as to how to deal with this form, please consult a professional advisor.

B **Number of Shares as at Record Date**
The number of Shares that you held at 5.00pm Friday 21 October 2011.

XXXXXXXXXX

C **Retention of Shares**

I/we refer to the notice from the Company dated 27 October 2011 and record my/our wish to retain my/our Shares.

D **Contact details**
Please provide your contact details in case we need to speak to you about this form.

Name of contact person **Contact person's daytime telephone number**

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E **Sign here - this section must be signed before we can process this form**

By signing and returning this form, I/we confirm that I/we understand that my/our Shares will not be sold under the Small Holding Sale Facility.

Individual or Securityholder 1 **Securityholder 2** **Securityholder 3**

Sole Director and Sole Company Secretary **Director** **Director/Company Secretary**

Day Month Year

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TO BE A VALID INSTRUCTION, THIS FORM MUST BE RECEIVED BY NO LATER THAN 5.00PM (AEDT) ON 9 DECEMBER 2011

This Document is printed on Greenhouse Friendly™ ENVI Laser Carbon Neutral Paper



How to complete this notice

Securityholders who wish to retain their shares must lodge a Continuation Election Notice.

A Registration Name(s)

Your name and address as it appears on the register of Jumbo Interactive Limited

B Number of Shares as at Record Date

This is the total number of Shares you held at 5.00pm 21 October 2011.

C Retention of Shares

If you would like to retain your shares, please mark the box on the front of the form and return it in accordance with the lodgement instructions below.

If this form is not received by that time, and you have not otherwise validly notified the Company that you wish to retain your Shares by that time, the Company will be entitled to have your Shares sold for you.

If you wish to sell your Shares under the Small Holding Sale Facility, you should not complete this form.

D Contact details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this form.

E Signature(s)

You must sign and date the form as follows in the space provided:

Joint holding: where the holding is in more than one name all of the securityholders must sign.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Consolidation of shareholdings

If you have more than one holding on Jumbo's register and you do not sell your Shares under the Small Holding Sale Facility, you should consider consolidating them. For further advice in this regard, please contact Computershare Investor Services Pty Limited ('CIS') on 1300 368 342 (within Australia) or 61 3 9415 4394 (outside Australia).

Lodgement of Form

If you wish to retain your Shares, this Continuation Election Notice must be completed and received by CIS Melbourne by no later than 5.00pm AEDT on 9 December 2011.

It is your responsibility to allow sufficient time for this form to be received by CIS. Your Continuation Election Notice must be sent to:

Computershare Investor Services Pty Limited
GPO Box 2115
MELBOURNE VIC 3001

Neither CIS nor the Company accepts any responsibility if you lodge the Share Retention Form at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by CIS, as registrar for the Company, for the purpose of effecting your instructions in relation to the Small Holding Sale Facility, maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to the Company and its professional advisers, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the Company in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

If you have any enquiries concerning your Securityholding please contact on telephone 1300 368 342.

This form may not be used to notify your change of address. For information please contact CIS on 1300 368 342 or visit the share registry at www.computershare.com

