



**ASX / MEDIA RELEASE
FOR IMMEDIATE RELEASE
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CMH announces it has received an indicative proposal to acquire 100% of CMH

The Board of Consolidated Media Holdings Limited (**CMH**) announces that it has received a non-binding indicative proposal earlier today from Lachlan Murdoch's private company, Illyria Pty Limited (**Illyria**) and CMH's major shareholder Consolidated Press Holdings Limited (**Conspress**), to acquire 100% of CMH (**Proposal**).

The Proposal, initiated by Illyria, involves Illyria and its equity partners forming a 50/50 joint venture with Conspress (**Consortium**) to acquire all of the shares in CMH. The Consortium has requested that the Proposal be implemented through a scheme of arrangement in CMH.

Although Conspress has advised that it has given its support to the Proposal, CMH has been advised that Conspress has not yet reached final agreement with Illyria to the terms of the Consortium.

Under the Proposal, the Consortium states that:

"The consideration per share would be provided as follows:

- *A fixed cash amount of \$4.06; and*
- *A variable cash amount which will be equivalent to the VWAP of Seek shares determined over the 5 days up to and including the date when CMH Shareholders meet to approve the scheme. The CMH shareholders will not receive the variable cash amount for their shares; rather it will be applied as the purchase price for 0.1116 Seek shares that will be transferred to them under the scheme of arrangement for each CMH share they hold.*

Based (on) the closing price of Seek shares on 18 January, the Indicative Proposal implies consideration of \$4.80 for each CMH share"

The Consortium has also stated that this is the final price for the joint venture proposal and that it will be adjusted to take account of any pre-completion dividends or distributions.

The Proposal also includes a facility under which CMH shareholders would be able to elect to receive a greater proportion of their consideration in cash or SEEK shares. The actual mix for those CMH shareholders who make such an election would depend on the elections of all shareholders as the total SEEK share consideration will be fixed at 76,968,490 SEEK shares and the total of the fixed cash component of the consideration will be fixed at \$2.8 billion.

The Proposal is indicative only and CMH is advised that the Proposal is subject to a number of pre-conditions including due diligence, financing, negotiation of a joint venture agreement between Illyria and Conspress, negotiation of a suitable implementation agreement, CMH non-associated directors' recommendation, shareholder approval and any required regulatory approvals.

Although the Proposal is highly conditional, the Board of CMH considers that, as it involves Conspress (its major shareholder), early disclosure to ASX of the approach is warranted in the interests of good corporate governance and to keep the market and its shareholders informed.

Conspress has advised CMH that it will seek to agree the terms of the arrangements with Illyria as soon as practicable. In that context, Conspress has indicated that it will seek to obtain relief from ASIC on acceptable terms to allow the joint bid to proceed without a condition requiring Conspress to dispose of its CMH shares in the event of an unmatched higher offer from a third party.

The CMH Board met today to commence consideration of the Proposal. The Conspress nominees on the Board of CMH, Messrs James Packer (Executive Deputy Chair), Ashok Jacob and Michael Johnston have declared their interests and have stepped aside from the Board's consideration of the Proposal. Further, until the Proposal has been fully considered, Mr James Packer has relinquished the Deputy Chairman position and Mr Richard Turner has been appointed in his place.

To assist in the evaluation of the Proposal on behalf of CMH shareholders, a sub-committee of the independent members of the CMH Board has been established. It will be chaired by Mr Richard Turner and its other members are Mr Chris Corrigan and Mr Geoff Dixon.

UBS has been appointed financial adviser to CMH and Minter Ellison as legal adviser to advise the sub-committee in evaluating the Proposal and to assist CMH as required. Minter Ellison has also been requested to advise CMH in relation to best practice governance and proposal response processes.

CMH is not in a position to give any assurance that the Proposal's pre-conditions will be satisfied, that the sub-committee's evaluation will lead to a recommended Proposal, or that the Proposal will proceed.

If the Proposal is to proceed, a detailed information memorandum will need to be prepared and dispatched to all CMH shareholders which will include an Independent Expert's report opining on whether the Proposal is in the best interests of CMH shareholders. If the Proposal proceeds by way of a scheme of arrangement, it must also be approved by the Court.

Shareholders will be informed of further material developments as they arise in line with all legal requirements and the protocols that the Board has established.

ENDS

Copies of previous media and ASX announcements issued by CMH are available at CMH's website at www.cmh.com.au.