Allens Arthur Robinson

Date	11 February 2007
Page	1 of 34
From	Ian McGill/Alex Elser
To	**The Manager**, Company Announcements Office, ASX Limited, Sydney
Fax	1900 999 279

ABN 47 702 595 758

Deutsche Bank Place
Corner Hunter and Phillip Streets
Sydney NSW 2000
Australia
Tel 61 2 9230 4000
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Correspondence
GPO Box 50
Sydney NSW 2001
Australia
DX 105 Sydney

www.aar.com.au

Fax enquiries ring 61 2 9230 4631

Dear Sir/Madam

P6 Normandy Lux I S.à..r.l.: Form 603 (Notice of initial substantial holder) in respect of APN News & Media Limited

On behalf of P6 Normandy Lux I S.à..r.l. and Providence Equity Partners, we attach a Form 603 (Notice of initial substantial holder) dated today in respect of P6 Normandy Lux I S.à..r.l. and the Providence Group. P6 Normandy Lux I S.à..r.l. and Providence Equity Partner's voting power in APN News & Media Limited is 41.61%.

A copy of the attached notice has been provided to APN News & Media Limited.

Regards

Ian McGill
Partner
Ian.McGill@aar.com.au
Tel 61 2 9230 4893

Alex Elser
Lawyer
Alex.Elser@aar.com.au
Tel 61 2 9230 4075

Attach

Our Ref IGMS:AUES:205735716

aues A0108106587v1 205735716 11.2.2007

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Sydney
Melbourne
Brisbane
Perth
Port Moresby
Singapore
Hong Kong
Jakarta
Shanghai
Bangkok
Phnom Penh

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme	APN News & Media Limited
ACN/ARSN	008 637 643

1. Details of substantial holder (1)

Name	P6 Normandy Lux I S. à r.l. and each of the entities listed in Annexure A (Providence Equity Partners)
ACN/ARSN (if applicable)	See Annexure A

The holder became a substantial holder on 11/2/2007

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary Shares	191,541,073	191,541,073	41.61% based on 460,285,396 ordinary shares on issue

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
P6 Normandy Lux I S. à r.l.	Relevant interest under section 608(1)(b) of the Corporations Act 2001 (Cth) arising pursuant to clause 4.4 of the Consortium and Subscription Agreement attached as Annexure B (a power to control the exercise of a right to vote attached to securities).	191,541,073 ordinary shares
Providence Equity Partners	Relevant interest under section 608(3) of the Corporations Act 2001 (Cth) being a relevant interest held through a body corporate (P6 Normandy Lux I S. à r.l.) in which Providence Equity Partners' voting power is more than 20% or which Providence Equity Partners controls.	191,541,073 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
P6 Normandy Lux I S. à r.l.	Independent News & Media (Australia) Limited	Independent News & Media (Australia) Limited	131,541,073 ordinary shares
	News & Media NZ Limited	News & Media NZ Limited	60,000,000 ordinary shares
Providence Equity Partners	As above	As above	As above

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
P6 Normandy Lux I S. à r.l.	11/2/2007		Pursuant to the Consortium and Subscription Agreement attached as Annexure B	191,541,073 ordinary shares

Providence Equity Partners	As above		As above	As above

6. **Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Providence Equity Partners	Members of Providence Equity Partners are associates of P6 Normandy Lux I S. à r.l. and each other in accordance with section 12(2) of the Corporations Act

7. **Addresses**

The addresses of persons named in this form are as follows.

Name	Address
P6 Normandy Lux I S. à r.l.	12, rue Léon Thyes, L-2636 Luxembourg, Luxembourg
Providence Equity Partners	Please refer to Annexure A

Signature

print name JOOST TULKENS capacity Director

sign here date 11/2/2007

DIRECTIONS

(1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.

(2) See the definition of "associate" in section 9 of the Corporations Act 2001.

(3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.

(4) The voting shares of a company constitute one class unless divided into separate classes.

(5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.

(6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.

(7) Include details of:

(a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and

(b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

(8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."

Annexure A

This is Annexure A of 1 page referred to in Form 603 Notice of initial substantial holder and signed by me and dated 11 February 2007.

....
Joost Tulkens

Entity name	Company number or place of registration	Address
Providence Equity Partners VI International L.P.	Registered in Cayman Islands	M & C Corporate Services Limited, PO Box 309 GT, George Town, Grand Cayman, Cayman Islands, British West Indies
Providence Equity GP VI International L.P.	Registered in Cayman Islands	As above
Provide Equity Partners VI International Ltd	Registered in Cayman Islands	As above

Annexure B

This is Annexure B of 29 pages referred to in Form 603 Notice of initial substantial holder and signed by me and dated 11 February 2007.

....

Joost Tulkens

STRICTLY PRIVATE & CONFIDENTIAL

11 February 2007

INDEPENDENT NEWS & MEDIA HOLDINGS PTY LIMITED

INDEPENDENT NEWS & MEDIA (AUSTRALIA) LIMITED

INDEPENDENT NEWS & MEDIA PLC

P6 NORMANDY LUX I S. à r.l.

CA NORMANDY LUX I S. à r.l.

CONSORTIUM AND SUBSCRIPTION AGREEMENT

FRESHFIELDS BRUCKHAUS DERINGER

CONTENTS

THIS CONSORTIUM AND SUBSCRIPTION AGREEMENT is made on February 2007

BETWEEN:

(1) **INDEPENDENT NEWS & MEDIA HOLDINGS PTY LIMITED**, a proprietary limited company incorporated in the Australian State of Victoria (Australian company number 110 638 367) whose registered office is at Level 11, 1 York Street, Sydney, NSW Australia 2000 (***INMH***);

(2) **INDEPENDENT NEWS & MEDIA (AUSTRALIA) LIMITED**, a public company incorporated in the Australian Capital Territory (Australian company number 008 637 689) whose registered office is at Minter Ellison, Level 3, 25 National Circuit, Forrest, ACT, Australia 2603 (***Bidco***);

(3) **INDEPENDENT NEWS & MEDIA PLC**, a company incorporated in Ireland (company number 002936) whose registered office is at Independent House, 2023, Bianconi Avenue, Citywest Business Campus, Naas Road, Dublin 24 Ireland (***INM***);

(4) **P6 NORMANDY LUX I S. à r.l.**, a company incorporated in Luxembourg whose registered office is at 12, rue Léon Thyes, L-2636 Luxembourg, Luxembourg (***Providence***); and

(5) **CA NORMANDY LUX I S. à r.l.**, a company incorporated in Luxembourg whose registered office is at 121, Avenue de la Faiencerie, L-1511 Luxembourg, Luxembourg (***Carlyle***, and together with INM and Providence, the ***Investors***).

The Investors, INMH and Bidco are ***Parties*** and each is a ***Party***.

WHEREAS:

(A) The Investors have formed the Consortium for the purpose of making, conducting, implementing and completing the Transaction.

(B) The Investors have agreed that in the event that the Scheme becomes Effective they will each fund their respective Commitments and subscribe for the Shareholder Instruments on the terms and conditions set out herein.

(C) This Agreement contains provisions regarding Certain Funds commitment of each Investor, the subscription by the Investors for Shareholder Instruments and obligations upon the Parties to procure that the proceeds of such subscriptions are applied for the purpose of providing funding to Bidco to pay the consideration due to the Target shareholders other than Bidco pursuant to the Scheme and for fees and expenses of the Transaction.

NOW, THEREFORE, the Parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

Definitions

1.1 In this Agreement:

Acquisition Group Company means each of INMH, Bidco and any other company formed or to be formed by the Investors for the purposes of implementing the Transaction, together the ***Acquisition Group Companies***;

Affiliate means:

(a) in respect of INM, any subsidiary of INM;

(b) in respect of Providence any Fund or entity that is directly or indirectly advised by or which is, or the assets of which are, managed from time to time by or under common control with Providence Equity GP VI International L.P.; and

(c) in respect of Carlyle any Fund or entity that is directly or indirectly advised by or which is, or the assets of which are, managed from time to time by or under common control with CAP II General Partner, L.P.;

provided that no Acquisition Group Company shall be an Affiliate of any Investor;

Agreement means this consortium and subscription agreement and its Schedules entered into on this date between the Parties, including all amendments made to it from time to time;

ASIC means the Australian Securities and Investments Commission;

Authorisation means:

(a) an approval, authorisation, consent, declaration, exemption, permit, licence, notarisation or waiver, however it is described, and including any condition attached to it; and

(b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment of any of the matters referred to in paragraph (a) above;

Authorised Recipients has the meaning given to it in clause 8.2(b);

Belco means Independent News & Media Belgium SA;

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in each of Cayman Islands, Luxembourg, The Netherlands and Sydney, Australia;

Certain Funds has the meaning given to it in clause 6.1;

Commitment means the amount of money set out next to each Investor's name in clause 2.1 which is payable by that Investor in accordance with the terms of this Agreement;

Confidential Information means information received, developed or obtained by an Investor relating to the Consortium (including its existence), the Acquisition, the Scheme, this Agreement or any discussions or documentation relating thereto;

Connected Persons has the meaning given to it in clause 9.2;

Consideration has the meaning given to it in clause 5.4;

Consortium means the consortium comprising the Investors for the purposes of the Transaction (including the preparation, making, conduct, implementation or completion thereof);

Consortium Structure means the structure of the Acquisition Group Companies as Bidco may determine and the Investors may agree (such agreement not to be unreasonably withheld or delayed);

Corporations Act means the Corporations Act (Commonwealth) 2001;

Defaulting Investor means any Investor who does not fund the amount of money set out next to their name in the Subscription Notice and subscribe for the relevant number of Shareholder Instruments on the Subscription Date pursuant their obligations in clauses 2.1 and 2.2;

End Date has the meaning given to it in the Scheme Implementation Agreement;

Effective means, when used in relation to the Scheme, the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the court made for the purposes of section 411(4)(b) of the Corporations Act in relation to the Scheme by the lodgement of such order with ASIC;

Effective Date means the date on which the Scheme becomes Effective;

Equity Subscription means the subscription by the Investors for Shareholder Instruments in the Acquisition Group Companies in accordance with this Agreement and the Subscription Notice on the Subscription Date;

Facility means the A$2.625 billion facility made available by a syndicate of financial institutions to Bidco on the terms of the Facility Agreement;

Facility Agreement means the definitive facility agreement or agreements relating to the third party debt finance to be available to Bidco on implementation of the Scheme;

Financing Arrangements means the third party debt financing arrangements to be entered into in relation to the Scheme, including the Facility Agreement;

Government Agency means a government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local;

Implementation Date has the meaning given to it in the Scheme Implementation Agreement;

Income, Profits or Gains means income, profits, gains or any other standard or measure for the purposes of any Tax and references to Income, Profits or Gains earned, accrued or received on or before a particular date (including, without limitation, the Subscription Date) shall include Income, Profits or Gains deemed or treated for Taxation purposes as earned, accrued or received on or before that date;

INMFL means Independent News & Media (Finance) Limited;

INMH Shares means all of the issued shares in INMH;

Interest means any legal, beneficial or other proprietary interest of any kind whatsoever held by an Investor in or to any Shareholder Instrument or any right to control the voting or other rights attributable to any Shareholder Instrument, disregarding any conditions or restrictions to which the exercise of any right attributed to such interest may be subject. For the avoidance of doubt, an Interest will not include any indirect interest in a Shareholder Instrument (i.e. an interest in an entity or partnership that holds Shareholder Instruments);

Investment Proportions means with respect to each Investor the proportion that their Commitment as set out in clause 2.1 represents as a percentage of the Total Commitment;

Non-Defaulting Investor means each Investor that is not a Defaulting Investor;

Notice has the meaning given to it in clause 15;

PE Employers means Providence Equity Partners VI L.P. and Carlyle Equity Partners Pty Limited;

Scheme means the scheme of arrangement proposed to be made under Part 5.1 of the Corporations Act between Target and its shareholders, under which, subject to the Scheme becoming Effective, all of the Target Shares not already held by Bidco will be transferred to Bidco in consideration of the payment to the relevant Target shareholders;

Scheme Implementation Agreement means the agreement between Alex and Bidco to be entered into on or shortly after the date of this Agreement, as amended or restated from time to time;

Second Court Hearing means the hearing of an application made to a court of competent jurisdiction for an order pursuant to section 411(4)(b) of the Corporation Act to approve the Scheme;

Service Agent has the meaning given to it in clause 15.2;

Shareholder Instruments means:

(a) share capital of any Acquisition Group Company or any instrument, document or security granting a right of subscription for, or conversion into, any share capital or other security of any Acquisition Group Company; and

(b) intercompany loans, preferred equity certificates, convertible preferred equity certificates or any other instrument or security evidencing indebtedness (whether or not interest bearing) issued by any Acquisition Group Company in conjunction with, and/or stapled to, any issued or to be issued share capital or other security of any Acquisition Group Company,

in each case (i) as may be determined by Bidco and the Investors (such agreement not to be unreasonably withheld or delayed) (the ***Consent***) or (ii) if the Consent is not forthcoming within 1 Business Day prior to the date of the Second Court Hearing, as may be determined by Bidco;

Subscription Date means 10 a.m. (London time) on the third Business Day following the Effective Date;

Subscription Notice means the notice to be provided by Bidco to the Investors and the other Acquisition Group Companies on or about the Effective Date containing directions for the Investors' (or their Affiliates) and the other Acquisition Group Companies' subscriptions for Shareholder Instruments;

Surviving Provisions means clauses 7 (Fees and Expenses), 8 (Confidentiality), 14.5 (Representations, Warranties, Allocation of Responsibility and Indemnity), 15 (Notices and Service in the UK), 24.3 to 24.6 both inclusive (Governing law and jurisdiction);

Target means APN News & Media Limited;

Target Shares means the issued ordinary shares of Target;

Taxation means all form of tax, duty, rate, levy, charge or other imposition or withholding whenever and by whatever authority imposed and whether of Australia or elsewhere, including (without limitation) any tax on gross or net Income Profits or Gains (including income tax required to be deducted or withheld from or accounted for in respect of any payment) corporation tax, capital gains tax, inheritance tax, value added tax, customs duties, excise duties, stamp duty, stamp duty reserve tax, stamp duty land tax, PAYE, national insurance and other similar contributions any other taxes, rates, levies, charges, imposts or withholdings corresponding to, similar to, in the nature of, replaced by or replacing any of them (excluding, for the avoidance of doubt, uniform business rates) together with any interest, penalty or fine in connection with any Taxation, regardless of whether any such taxes, duties, rates, levies, charges, imposts, withholdings, interest, penalties or fines are chargeable directly or primarily against or attributable directly or primarily to the company in question or any other person and of whether any amount in respect of them is recoverable from any other person;

Total Commitment means the total of all of the Commitments to be subscribed for by the Investors in accordance with clause 2.1;

Transaction means the implementation of the Scheme and any other transactions contemplated in connection thereto including implementation of the Consortium Structure; and

Transaction Costs has the meaning given to it in clause 7.1.

Interpretation

1.2 The headings in this Agreement do not affect its interpretation.

1.3 References in this Agreement to statutory provisions shall (where the context so admits and unless otherwise expressly provided) be construed as references to the laws of England and Wales and regulations made thereunder, as amended, consolidated, extended or re-enacted from time to time.

1.4 In this Agreement:

(a) words denoting the singular shall include the plural and vice versa;

(b) words denoting one gender shall include each gender and all genders;

(c) references to persons shall be deemed to include references to natural persons, to firms, to partnerships, to bodies corporate, to undertakings, to associations, to organisations, to trusts, to trustees, to legal representatives, to governments (or any department or agency thereof) or to any other entity howsoever designated or constituted (in each case, whether or not having separate legal personality), but references to individuals shall be deemed to be references to natural persons only;

(d) references to clauses and Schedules are, unless stated otherwise, references to clauses and schedules of this Agreement;

(e) references to paragraphs are, unless expressly provided otherwise, references to paragraphs of the Schedule in which the references appear;

(f) each grammatical form and derivation of all words defined in clause 1.1 shall have the corresponding meanings;

(g) references to a document being in the ***agreed form*** is a document being in the form which has been initialled for the purposes of identification by or behalf of the Parties (in each case with such amendments as may be agreed by them or on their behalf);

(h) references to the ***Investors*** or ***Parties*** include their respective successors in title and permitted assignees, estates and legal representatives;

(i) where the word ***including*** is used it shall be deemed to read "including without limitation";

(j) ***subsidiary*** and ***holding company*** shall bear the meanings given to them in section 736 of the Companies Act 1985;

(k) the terms ***hereof*** and ***hereunder*** (and any other similar expressions) refer to this Agreement and not to any particular clause or other portion hereof and include any agreement supplemental hereto; and

(l) references to ***A$*** denote the lawful currency for the time being of Australia.

1.5 The recitals and Schedules shall be deemed to be incorporated in this Agreement.

1.6 No provision of this Agreement shall be read as imposing joint or joint and several liability on any Party and for the avoidance of doubt no Party shall be liable for any obligation, default or other liability of any other Party under this Agreement.

1.7 Any obligation under this Agreement on any Party to procure or ensure any matter or thing to be done by any Acquisition Group Company or to use its endeavours in that context shall mean such Party exercising their voting rights as holders of Shareholder Instruments, giving such consents as may be required of them to comply with this or any other agreement and procuring, so far as they are able, that any director(s) appointed by such Party to the board of any other Party and/or any Acquisition Group Company exercises such director's powers in respect of the relevant Party to cause the relevant Party to take the relevant action (subject to such director's fiduciary duties).

2. COMMITMENT OF INVESTORS

2.1 Subject only to the Scheme becoming Effective and to the Facility being available for drawdown following the fulfilment or waiver of all of the conditions which apply to drawdown under the Facilities Agreement (other than the condition relating to the subscription for Shareholder Instruments pursuant to this Agreement), each Investor agrees and undertakes to each other Party that it shall (or shall procure that its respective Affiliates shall) subscribe for Shareholder Instruments at an aggregate subscription price equal to the euro value of the Commitment set out in the table below next to its name or such other amount as the Investors may agree to ensure Bidco will receive on reasonable terms such part of the Total Commitment as is required to enable it to meet its payment obligations under the Scheme.

Name of Investor	Commitment
INM	A$530,348,446
Providence	A$514,627,885
Carlyle	A$377,393,783

Name of Investor	Commitment
Total Commitment	A$1,422,370,114

2.2 Each Investor's Commitment shall be used to subscribe for Shareholder Instruments in such respective amounts and manner as shall be set out in a Subscription Notice.

2.3 Without prejudice to the rights of any Party in respect of a Defaulting Investor, in the event that there are one or more Defaulting Investors, Bidco shall offer the Non-Defaulting Investors the opportunity to fund the shortfall in the Total Commitment and subscribe for additional Shareholder Instruments pro rata to the Investment Proportions as set out in clause 2.1. For the avoidance of doubt no Non-Defaulting Investor is under any obligation to fund any amount in addition to the amount set out next to their name in the Subscription Notice (which shall not be greater than their Commitment) or subscribe for additional Shareholder Instruments.

3. DEBT FINANCING

3.1 The Investors undertake (to the extent that they are able) to procure Bidco and/or any other Acquisition Group Company will, and Bidco undertakes to the Investors to, negotiate in good faith and enter into the Facility Agreement before the Second Court Hearing.

3.2 The Investors shall use all reasonable endeavours to cause Bidco to borrow under the Facility Agreement, to implement the Schemes and to facilitate the Transaction.

3.3 No Investor shall be required to have direct personal responsibility with respect to the indebtedness of any Acquisition Group Company or its subsidiaries without its prior written consent.

4. ACQUISITION GROUP COMPANIES

4.1 The Investors undertake to procure the incorporation of such Acquisition Group Companies required to implement the Consortium Structure and facilitate the Transaction as soon as possible following the date of this Agreement.

4.2 The Investors agree to negotiate and enter in to a shareholders agreement for the governance of the Acquisition Group Companies as soon as possible following their incorporation.

4.3 The Parties agree that nothing in this Agreement shall restrict the ability of Bidco or News & Media NZ Limited to dispose of their Target Shares prior to the Effective Date as they decide.

4.4 INM shall procure News & Media NZ Limited votes in favour of all resolutions to be proposed at the meeting to be convened by the court in relation to the

Scheme pursuant to section 411(1) of the Corporations Act if the Court requires that News & Media NZ Limited votes as a separate class of Target Shareholders and at any general meeting of Target shareholders which may be required to approve the sale of the INMH Shares to an Acquisition Group Company for the purposes of s611 item 7 of the Corporations Act.

4.5 Without limiting clause 4.6, each of INMH and Bidco agrees not to enter in to any amendment, grant any waiver or otherwise take any action which may prejudice the interests of the Investors with respect to the Scheme, the Scheme Implementation Agreement, the Financing Arrangements or any other agreements or arrangements to which they are party in connection with the Transaction (each a ***Transaction Document***) unless such actions have first been approved in writing by each of the Investors.

4.6 Neither of INMH or Bidco will:

(a) take any action or refrain from taking any action which would constitute a breach of the terms of any Transaction Document or take any other action in connection with the Transaction or otherwise which is not permitted or expressly contemplated by or in the Transaction Documents (all of which having been approved by the Investors); or

(b) satisfy closing conditions or exercise its rights under any of the Transaction Documents, including, without limitation, determining that the conditions precedent specified in clause 2.1 of the Scheme Implementation Agreement or in the Financing Arrangements (the ***Closing Conditions***) have been satisfied, waiving any Closing Condition and amending any of the Transaction Documents,

in each case, without the prior written consent of all of the Investors (each acting reasonably).

4.7 Each of INMH and Bidco agrees to provide all material information received by Bidco and/or INMH in relation to the Target, the Transaction and the Transaction Documents up to the Implementation Date to each of the Investors as soon as reasonably practicable after receipt.

4.8 Each of the Investors agrees to use and to procure that its respective Acquisition Group Companies use, all reasonable endeavours to implement the Scheme and to give effect to the transactions contemplated by the Transaction Documents. In particular, but without limitation to the generality of this clause 4.8, each of the Investors severally agree to take all action reasonably necessary to enable Bidco to comply with its obligations under the Scheme Implementation Agreement in a timely manner, and further undertakes not to do anything that will cause Bidco to breach its obligations under the Scheme Implementation Agreement.

4.9 The Investors acknowledge that they have approved the form of the Scheme Implementation Agreement and the debt commitment letter being provided as part of the Financing Arrangements.

4.10 Each of the Investors severally (and not jointly and severally) will:

(a) use all reasonable endeavours to assist Bidco in negotiating and documenting the Financing Arrangements by the Second Court Hearing Date; and

(b) use all reasonable endeavours (or such higher standard as may be imposed on Bidco under the Financing Arrangements) to ensure that Bidco satisfies the conditions to drawdown of the debt under the Financing Arrangements in sufficient time to enable Bidco to draw down on such debt funding for the purposes of meeting its payment obligations under the Scheme.

4.11 Each of Providence and Carlyle shall have the right (but not the obligation) to appoint a representative to act as a board observer on its behalf from the date of this Agreement until 10 Business Days after the Implementation Date and Bidco will ensure and procure that any observer appointed pursuant to this clause 4.9 or clause 4.11 below:

(a) is given at least as much notice of the date, time and place of, and agenda for, all board meetings as is given to every member of the Bidco board, but in any event at least 2 Business Days notice; and

(b) is supplied with copies of all such notices, reports, written presentations, board papers and other written information (collectively "**Board Papers**") as are supplied or distributed to other members of the Bidco board at the same time as such Board Papers are supplied to such other members.

4.12 Each observer shall have the right to attend and be entitled to speak or be heard at board meetings (including, without limitation, those relating to strategic matters including, without limitation, the Scheme, the Scheme Documents and the Financing Documents).

4.13 Upon reasonable notice to Bidco, Providence or Carlyle (as appropriate) shall be entitled remove an observer appointed by it and to appoint a replacing observer.

5. EQUITY SUBSCRIPTION

5.1 Equity Subscription will take place at the offices of Freshfields Bruckhaus Deringer, 65 Fleet Street, London, EC4Y 1HS on the Subscription Date. At Equity Subscription the following shall take place (to the extent that they have not taken place prior to the Subscription Date):

(a) the board of directors of each Acquisition Group Company shall hold a meeting to approve all documents to be executed by such Acquisition Group Company on the Subscription Date in connection with this Agreement and the Transaction and all matters contemplated or required by such documents;

(b) all necessary shareholder meetings of each Acquisition Group Company shall take place including the execution of any resolutions that may be required to implement the issue of Shareholder Instruments and do or cause to be done any other steps or thing that the board of directors of such Acquisition Group Company may approve in connection with the Equity Subscription;

(c) each of the Investors shall make its respective subscriptions for Shareholder Instruments and fund (in accordance with clause 5.2) the respective amounts set out against its name in the Subscription Notice which shall, in the case of each Investor not exceed its Commitment as set out in clause 2.1;

(d) each of the Investors shall procure that certain of its respective Acquisition Group Companies make subscriptions for Shareholder Instruments in each other and fund the appropriate amounts as set out in the Subscription Notice;

(e) each of the Investors shall procure that each of its respective Acquisition Group Companies issue or procure the issue of such Shareholder Instruments to be issued by it, as set out in the Subscription Notice to the Investors and the Subscription Notice to other Acquisition Group Companies, and deliver to the Investors and other Acquisition Group Companies (as appropriate) definitive certificates or other relevant instruments in respect of such Shareholder Instruments so issued to the Investors or Acquisition Group Companies and enter their names on the appropriate register of each Acquisition Group Company issuing such Shareholder Instruments; and

(f) Bidco shall do such acts and things required to be performed under the Financing Arrangements and draw down the monies available thereunder in accordance with its terms.

5.2 The payment for the Shareholder Instruments subscribed for at Equity Subscription shall be made, in the case of each Investor, on the Subscription Date by way of telegraphic transfer for same day value to an interest bearing escrow account with the relevant Acquisition Group Company's bankers as set out in the Subscription Notice.

5.3 Each of the Investors shall procure that each of its Acquisition Group Companies that receives funds (into an escrow account or otherwise) under clause 5.2 shall procure that any interest that has accrued prior to the Subscription Date on any amounts so deposited shall (subject to any bank charges or other deductions) be paid to the Investors as soon as reasonably practicable *pro rata* to the amounts deposited by each of them.

5.4 If the Scheme becomes Effective, following the Effective Date and within 3 Business Days after the Subscription Date (or such other date as the Investors may agree) and only conditional on the approval of Target Shareholders for the purposes of s611 item 7 of the Corporations Act if such approval is required in accordance with the Corporations Act:

(a) INM shall procure that, to the extent not already transferred, its wholly owned subsidiary Independent News & Media (Finance) Limited (***INMFL***), shall sell all of its INMH Shares to an Acquisition Group Company; and

(b) INM shall procure that its wholly owned subsidiary, Independent News & Media Belgium SA (***Belco***), shall sell all of its INMH Shares to an Acquisition Group Company,

with the aggregate consideration paid for the shares disposed in (a) and (b) being A$802,400,545 (or such other amount as otherwise agreed among the Investors acting reasonably) less any liabilities (including working capital) of INMH and INMAL. On the same date as acquiring the shares in INMH, an Acquisition Group Company will separately satisfy the loan, including accrued interest, from INMFL (together, the ***Consideration***), and in each case, on terms which are acceptable to the Investors (each acting reasonably).

5.5 The Parties agree that as soon as reasonably practicable following the Subscription Date and in any event in sufficient time to comply with clause 5.6, the Investors and INMH shall procure that the Total Commitment paid pursuant to clause 5.2 less the Consideration paid pursuant to clauses 5.4(a) and 5.4(b) shall be applied by the Acquisition Group Companies in providing funding to Bidco by subscribing for or entering into such Shareholder Instruments as will enable Bidco to pay the Scheme consideration.

5.6 Bidco agrees and undertakes and the Parties shall procure and notwithstanding anything else in this Agreement, that the monies received by Bidco pursuant to clause 5.5 shall be applied in enabling Bidco to pay the Scheme consideration on the Implementation Date, and all associated fees, costs and expenses for which Bidco is responsible.

6. CERTAIN FUNDS CONFIRMATION

6.1 Providence hereby confirms that as at the date of this Agreement it:

(a) holds readily available cash resources; and/or

(b) has unconditional rights with persons whom have readily available cash resources,

(in each case) sufficient to fulfil its obligation to fund the amount of its Commitment set out in clause 2.1 of this Agreement and that it will at all times until the earlier of the Subscription Date or the termination of this Agreement, hold or be unconditionally entitled to call for such funds.

6.2 Carlyle hereby confirms that as at the date of this Agreement it:

(a) holds readily available cash resources; and/or

(b) has unconditional rights with persons whom have readily available cash resources,

(in each case) sufficient to fulfil its obligation to fund the amount of its Commitment set out in clause 2.1 of this Agreement and that it will at all times until the earlier of the Subscription Date or the termination of this Agreement, hold or be unconditionally entitled to call for such funds.

6.3 INM hereby confirms that, subject to satisfaction of the conditions to the Scheme, as at the date of this Agreement it:

(a) will hold readily available cash resources; and/or

(b) will have unconditional rights with persons whom have readily available cash resources,

(in each case) sufficient to fulfil its obligation to fund the amount of its Commitment set out in clause 2.1 of this Agreement and that it will at all times until the earlier of the Subscription Date or the termination of this Agreement, hold or be unconditionally entitled to call for such funds.

7. FEES AND EXPENSES

7.1 The Parties hereby agree that all of the costs, fees and expenses of the Acquisition Group Companies or the Consortium incurred for the purposes of the Transaction (the ***Transaction Costs***) will only be incurred with the prior agreement of the Consortium. The Consortium hereby consents to Bidco incurring Transaction Costs of up to A$250,000, or such greater amount as the Investors may agree.

7.2 If the Scheme has not become Effective by the End Date the Transaction Costs will be borne by the Investors pro rata to their Investment Proportions. If the Scheme becomes Effective, so far as lawfully possible such fees and expenses will be borne or reimbursed by Bidco and/or Target out of the Total Commitment.

7.3 Except as agreed above, each Investor shall bear its own costs and expenses in connection with the Transaction and the Consortium. The costs of external advisers and other third parties engaged by individual Investors for their own benefit shall not be included in the Transaction Costs.

8. CONFIDENTIALITY

8.1 Each Investor hereby agrees to treat as strictly confidential, not to disclose to any third parties or use for any purpose other than evaluation and implementation of the Transaction, any Confidential Information.

8.2 Notwithstanding the obligations contained in clause 8.1, an Investor may disclose Confidential Information if and only to the extent that:

(a) it is required by the law or regulation of any jurisdiction (including any securities exchange or regulatory or governmental body including the Irish Takeover Panel), provided that it has taken all reasonable practicable legal steps to prevent such disclosure if requested to do so by the other Investors;

(b) it is disclosed to its investors, potential equity participants or co-investors, directors, employees, professional advisers, auditors, banks or financiers

(***Authorised Recipients***) provided that such Investor shall ensure that each Authorised Recipient that receives Confidential Information is aware of the confidentiality provisions in this Agreement;

(c) the Confidential Information has come into the public domain through no fault of the disclosing Investor, the Confidential Information consists of information which the disclosing Investor knew before the discussions relating to the Transaction commenced or the Confidential Information consists of information which is disclosed, without apparent confidentiality restrictions, to an Investor by a third party where such disclosure by the third party is apparently not in breach of any confidentiality restrictions on the third party; or

(d) each other Investor has given prior written approval to such disclosure.

8.3 Upon termination of this Agreement an Investor will on request from any other Investor, and without delay, return or procure the return to the requesting Investor or destroy or procure the destruction of all Confidential Information (including copies) which was provided to the Investor by the requesting Investor and to the extent reasonably practicable destroy documents or materials containing the Confidential Information which were generated by the Investor unless the Confidential Information has come in to the public domain as described above or otherwise required by law or by a relevant regulatory authority or applicable professional body, or by the rules of any internal good governance record keeping policy to be retained and, for the avoidance of doubt, the obligations of confidentiality set out in this clause 8 shall continue to apply to any such retained Confidential Information.

8.4 The obligations in this clause 8 shall be in addition to the obligations contained in any confidentiality agreements between the Investors (including, without limit, the confidentiality letter agreement signed by INM and Providence Equity Partners VI L.P. on 28 June 2006 and acceded to by Carlyle on 30 October 2007).

9. NO REPRESENTATIONS AND WARRANTIES OR DUTY OF CARE IN RESPECT OF CONFIDENTIAL INFORMATION

9.1 Each Party agrees that, save as expressly set out in this Agreement, the Confidential Information and any other information provided by any Party or Acquisition Group Company to each other or their respective advisers and agents does not purport to be all-inclusive and that no representation or warranty is made by any Party as to the accuracy, reliability or completeness of any of the Confidential Information. Accordingly, save as expressly set out in this Agreement, each Party agrees with each other Party and with each of its respective Authorised Recipients that neither they nor any their respective Authorised Recipients shall have any liability to any other Party resulting from the use of Confidential Information.

9.2 Subject to the terms of any separate agreement, the terms of the disclaimer of liability contained in clause 9.1 shall be enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by each Party's directors, officers, employees, professional advisers and agents involved in the Acquisition (their respective ***Connected Persons***) and may not be terminated or rescinded or varied in respect of such Connected Persons without the prior consent of such Connected Persons.

9.3 Each Party agrees that save as expressly set out in this Agreement, no Party nor any of its respective Connected Persons (to the extent legally permissible) shall owe any duty of care to any other Party or any of its respective Connected Persons.

10. NON-SOLICITATION OF EMPLOYEES

10.1 Without the prior written consent of the relevant Investor, neither INM nor any of its Affiliates will, for a period of twelve (12) months from the date of this Agreement, either directly or indirectly, employ, solicit to employ, entice away or otherwise engage, directly or indirectly, for employment or other services any director or senior employee who is employed by another Investor (or such other Investor's Affiliates) and with whom they have come into contact in connection with the Transaction, excluding, however:

(a) persons who respond to bona fide general solicitations by way of general advertisements for employment not specifically directed at any Investor or the Company or any of its employees, and

(b) persons who have terminated their employment with the relevant Investor prior to any discussions with INM.

10.2 Without the prior written consent of the relevant Investor or INM in the case of Alex, none of the PE Employers, will for a period of twelve (12) months from the date of this Term Sheet, either itself, or with respect to any other person directly or knowingly assist, direct or encourage that other person, to employ, solicit to employ, entice away or otherwise engage, directly or indirectly, for employment or other services any director or senior employee who is employed by another Investor or Alex (or its subsidiaries) and with whom they have come into contact in connection with the Transaction, excluding, however:

(a) persons who respond to bona fide general solicitations by way of general advertisements for employment not specifically directed at any Investor or the Target or any of its employees, and

(b) persons who have terminated their employment with the other Investor or the Target prior to any discussions with the PE Employer.

11. SHARE DEALINGS

11.1 Except to implement the Transaction as agreed by the Consortium, no Investor shall (and each Investor other than INM shall procure that no person controlled by, or acting in concert with, that Investor (as defined in the Corporations Act) shall) either alone or acting in concert with others, acquire or take any action to acquire, or cause another person to acquire or to take any action to acquire, an Interest in any Target Shares or enter into an agreement or arrangement as a result of which it or any person may acquire an Interest in any Target Shares until the earlier of the End Date and the date that the Scheme Implementation Agreement is terminated.

11.2 Each Investor (other than INM) hereby confirms that neither it nor any person controlled by, or acting in concert with, that Investor holds any Target Shares.

12. SECURITIES LAWS

Each Investor hereby agrees to advise their Authorised Recipients, that some or all of the Confidential Information and the negotiations in relation to the Transaction may be price sensitive information in relation to shares or securities of the Target and/or INM and agrees to comply, and shall notify each of their Affiliates and its or their respective officers or employees or any fund advised or managed by the Investor or their respective obligations to comply, with all applicable insider dealing and market abuse legislation in relation to dealings in securities of the Target and INM.

13. TERMINATION

13.1 In the event that the Scheme Implementation Agreement is terminated and in no other circumstances then this Agreement (other than the Surviving Provisions) shall automatically terminate and cease to have any effect and no Party shall have any claim against any other Party (except in relation to any antecedent breach or under the Surviving Provisions). Any such termination shall be without prejudice to the rights and/or obligations of any Party in respect of any antecedent breach or under any Surviving Provisions.

13.2 Save as expressly otherwise provided, this Agreement may not be terminated, and no Party shall be entitled to rescind this Agreement under any circumstances whatsoever (save for such rights as exist in respect of fraud or fraudulent misrepresentation).

14. REPRESENTATIONS, WARRANTIES, ALLOCATION OF RESPONSIBILITY AND INDEMNITY

14.1 Each Investor represents and warrants as at the date of this Agreement in terms of the representations and warranties set out in Schedule 1.

14.2 INM warrants that as at the date of this Agreement and as at the Subscription Date in the terms of the warranties set out in Schedule 2.

14.3 Each Investor acknowledges that each other Party has executed this Agreement and agreed to perform its obligations under this Agreement in reliance on the representations and warranties that are made in this clause 14 and Schedule 1.

14.4 INM shall remain solely entitled to all rights and benefits and solely responsible for all debts, liabilities (whether actual or contingent), losses, costs, damages and/or Taxation of, or arising in respect of, or in any way connected with INMH and/or Bidco which arise(s) during or otherwise relate(s) or is attributable to the period ending on the close of business on the Subscription Date (including, without limitation, any Taxation which becomes due from or is otherwise incurred by INMH and/or Bidco in connection with the completion of the transactions contemplated in clause 5.4 of this Agreement or upon or in connection with INMH and/or Bidco ceasing to be a wholly owned subsidiary of INM) and INM shall indemnify and keep indemnified the other Investors accordingly; provided always that INM shall not be solely responsible for and shall not be required to indemnify the

Investors against any debts, liabilities, losses, costs and/or damages incurred by INMH and/or Bidco (other than any Taxation of either INMH or Bidco attributable to the completion of the transactions referred to in clause 5.4 of this Agreement or upon or in connection with INMH and/or Bidco ceasing to be a wholly owned subsidiary of INM) as a result of actions taken by either such company with the approval of all of the Investors or at the direction of the Consortium or otherwise required in accordance with the terms of this Agreement or Scheme Implementation Agreement.

14.5 Until the Scheme is Effective or, if earlier, the date on which the Scheme Implementation Agreement is terminated (but without prejudice to any rights accrued under this clause 14.5 prior to the Scheme Implementation Agreement being terminated), each of the Investors severally, in respect of itself, covenants to pay to Bidco (on receipt of written notice from Bidco setting out details of the relevant claim) an amount equal to its Investment Proportion of any costs, damages, losses, liabilities and/or expenses which are, where relevant, determined by a court of competent jurisdiction (or otherwise agreed by the Investors) to be payable by Bidco and which relate to or arise out of Bidco's entry into the Scheme Implementation Agreement and/or its implementation of the Scheme (***Losses***) provided always that no Investors shall be required to pay an amount pursuant to this clause 14.5 in respect of:

(a) such portion of any such Losses which arise out of the material breach by Bidco of any of its obligations under this Agreement and/or the Scheme Implementation Agreement, other than as a direct result of any breach by an Investor of its obligations under this Agreement or where the act or omission of Bidco to which the breach relates was on the written instruction or written approval of any such Investor; or

(b) such portion of any such Losses which arise out of the negligence, wilful default or fraud of Bidco or any of its Affiliates; or

(c) such proportion of any such Losses arising out of an action or omission of Bidco in relation to the Scheme in respect of which Bidco failed to obtain the prior consent of the Investors, other than any action or omission of Bidco taken without prior consent on the basis of legal advice received by Bidco confirming that such action or omission is required without further delay in order to comply with any relevant law or regulation.

15. NOTICES AND SERVICE IN THE UK

15.1 Any notice or other formal communication (a Notice) to be given by any Party to another Party under, or in connection with, this Agreement shall be given in accordance with the provisions of Part 1 of (a).

15.2 The Parties shall at all times each maintain an agent for service of process and any other documents in proceedings in England or Wales or any other proceedings in connection with this Agreement (a ***Service Agent***). Notwithstanding the foregoing and not in limitation of any other means of valid service, any claim form, judgment or other notice of legal process shall be sufficiently served on a Party if delivered to its Service Agent at its address for the time being. The Parties each undertake not to revoke the authority of their respective Service Agents without appointing a replacement and to promptly inform the other Parties (in accordance with the provisions of this clause 15) should there be any such change to the details relating to their respective Service Agent set out in clause 15.3 below.

15.3 The names and addresses of the Parties' Service Agents for the purposes of clause 15.2 above are those set out in Part 2 of Schedule 3.

16. ASSIGNMENT

16.1 Any Investor may assign all or any part of the benefit of this Agreement to any Affiliate and it may be enforced by such an assignee as if it were an Investor provided that:

(a) the assignor gives the other Parties written notice of such assignment (including any assignment agreement);

(b) the assignor undertakes to each of the other Parties to procure that such assignee shall comply with all the obligations of the assignor under this Agreement; and

(c) any assignee to which rights have been assigned under this clause 16.1 remains, at all times until termination of this Agreement, an Affiliate of the assignor.

16.2 Any Investor shall remain liable for the performance or breach of its respective obligations under this Agreement notwithstanding any assignment pursuant to clause 16.1.

17. TIME OF THE ESSENCE

Any time, date or period referred to in any provision of this Agreement may be extended by mutual agreement of all the Investors but as regards any time, date or period originally fixed or any time, date or period so extended, time shall be of the essence.

18. FURTHER ASSURANCE

Each Party agrees to perform (or, so far as they are able, procure the performance of) all further acts and things and execute and deliver (or, so far as they are able, procure the execution and delivery of) such further documents as may be required by law (including, for these purposes, the Corporations Act) or as may be reasonably necessary or desirable or as reasonably requested in writing by the board of directors of Bidco to implement and give effect to this Agreement.

19. WAIVER OF RIGHTS

No waiver by a Party of a failure by a Party to perform any provision of this Agreement operates or is to be construed as a waiver in respect of any other failure whether of a like or different character. Any waiver hereunder is valid only if it is in writing and signed by or on behalf of each non-defaulting Party.

20. AMENDMENTS

A variation of this Agreement is valid only if it is in writing and signed by or on behalf of each of the Parties.

21. INVALIDITY

If any provision of this Agreement is or is held to be invalid or unenforceable by the Courts of England, then so far as it is invalid or unenforceable it has no effect and is deemed not to be included in this Agreement. This shall not invalidate any of the remaining provisions of this Agreement. The Parties shall use all reasonable endeavours to replace any invalid or unenforceable provision by a valid provision the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.

22. RIGHTS AND REMEDIES

22.1 Without prejudice to any other rights and remedies they may have under this Agreement, the Parties acknowledge that a Party may be irreparably harmed by any breach of the terms of this Agreement and that damages alone may not necessarily be an adequate remedy. Accordingly, any Party bringing a claim under this Agreement shall be entitled to seek the remedies of final or interim injunction (including mandatory injunction), specific performance and other equitable relief, or any combination of these remedies, for any threatened or actual breach of its terms, and no proof of special damages shall be necessary to enforce this Agreement.

22.2 No failure or delay by any Party in exercising any right or remedy provided by law under or pursuant to this Agreement shall impair such right or remedy or operate or be construed as a waiver or variation of it or preclude its exercise at any subsequent time and no single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy.

22.3 The rights and remedies of each of the Parties under or pursuant to this Agreement are cumulative, may be exercised as often as such Party considers appropriate and are in addition to its rights and remedies under general law.

23. ENTIRE AGREEMENT

23.1 This Agreement sets out the entire agreement and understanding between the Parties with respect to its subject matter and supersedes all prior agreements, understandings, negotiations and discussions (whether oral or written) and, accordingly, the Parties agree that any previous agreement or understanding between the Parties shall immediately terminate and cease to have any effect and no Party shall have any claim against any other Party under, or in respect of, any previous agreement or understanding (save in relation to any antecedent breach thereunder). Notwithstanding the foregoing, the Parties agree that any exclusivity and confidentiality undertakings given by any one or more of the Parties shall not be affected by the entry into of this Agreement or the other Transaction Agreements and that such undertakings shall continue in force and terminate only in accordance with their terms.

23.2 No Party has relied or has been induced to enter into this Agreement in reliance on any representation, warranty or undertaking that is not expressly set out or referred to in this Agreement.

23.3 No provision of this Agreement excludes liability for fraud, including without limitation fraudulent misrepresentation.

24. MISCELLANEOUS

24.1 This Agreement may be executed in any number of counterparts and by the Parties to it on separate counterparts, each of which shall be an original but all of which, together, shall constitute one and the same instrument.

24.2 Other than any person to whom the benefit of this Agreement has been validly assigned in accordance with clause 16 above, a person who is not a Party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

24.3 This Agreement shall be governed by, and construed in accordance with, the laws of England and Wales.

24.4 The Courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning this Agreement and any matter arising therefrom.

24.5 Each Party irrevocably waives any right that it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts do not have jurisdiction.

24.6 The submission to the jurisdiction of the Courts of England shall not (and shall not be construed so as to) limit the right of either Party to bring legal proceedings in any other court of competent jurisdiction including without limitation the courts having jurisdiction by reason of any Party's domicile. Legal proceedings by any Party in any one or more jurisdictions shall not preclude legal proceedings by it in any other jurisdiction, whether by way of substantive action, ancillary relief, enforcement or otherwise.

AS WITNESS the duly authorised representatives of the Parties have signed this Agreement on the day and year first before written.

SIGNED by
DONAL BUGGY
acting for and on behalf of
INDEPENDENT NEWS & MEDIA HOLDINGS PTY LIMITED

Title: CHIEF FINANCIAL OFFICER / DIRECTOR

SIGNED by
DONAL BUGGY
acting for and on behalf of
INDEPENDENT NEWS & MEDIA (AUSTRALIA) LIMITED

Title: DIRECTOR

SIGNED by
GAVIN O'REILLY
acting for and on behalf of
INDEPENDENT NEWS & MEDIA PLC

Title: CHIEF OPERATING OFFICER.

SIGNED by
KARIM TABET
acting for and on behalf of
P6 NORMANDY LUX I S. à r.l.

Title: ATTORNEY

SIGNED by
IAN MCGILL
acting for and on behalf of
CA NORMANDY LUX I S. à r.l.

Title: ATTORNEY

SCHEDULE 1

REPRESENTATIONS AND WARRANTIES

1. Each Investor represents and warrants that:

(a) if it is a company, it is a company limited by shares under the laws of the place of its incorporation;

(b) it has full legal capacity and power to:

  (i) own its property and to carry on its business; and

  (ii) enter into this Agreement and to perform its obligations under this Agreement;

(c) if it is a company, other than in relation to those matters which are conditions to the Scheme, it has taken all corporate action that is necessary to authorise its entry into this Agreement and the performance of its obligations under this Agreement;

(d) this Agreement constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary stamping or registration;

(e) other than in relation to those matters which are conditions to the Scheme, it holds each Authorisation that is necessary to:

  (i) enable it to properly execute this Agreement and to perform its obligations under this Agreement;

  (ii) ensure that this Agreement is legal, valid, binding and admissible in evidence; or

  (iii) enable it to carry on its business,

and it is complying with any conditions to which any of these Authorisations is subject; and

(f) neither its execution of this Agreement nor the performance of its obligations under this Agreement, does or will contravene:

  (i) any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;

  (ii) any Authorisation;

  (iii) any undertaking or instrument binding on it or any of its property; or

  (iv) its constitutional documents or equivalent.

SCHEDULE 2

INM WARRANTIES

INM warrant that, except as disclosed in writing by INM to Providence and Carlyle on the date of this Agreement in a disclosure letter:

(a) The copy of the audited financial statements of Bidco and INMH as at 31 December 2005 provided to the Investors (the ***Accounts***) are true and complete copies.

(b) The Accounts give a true and fair view of the financial position and state of affairs of each company to which they relate as at 31 December 2005 and have been prepared in accordance with accounting principles, standards and practices generally accepted in Australia on such date.

(c) Neither Bidco, nor INMH has, at any time, traded or incurred any liabilities of any nature whatsoever (other than as a holding company), whether actual or contingent, other than as reflected in the Accounts, has not acquired any assets (other than shares in Bidco in the case of INMH and shares in Alex in the case of Bidco) nor entered into any agreement or arrangement whatsoever, other than, in relation to INMH, a letter of undertaking in favour of Bank of Ireland, which was subsequently withdrawn, a complete and accurate copy of which has been provided to Providence and Carlyle.

(d) The 264,500,002 ordinary shares of A$1 each in the capital of INMH and the 10,000,000 ordinary shares of A$1 each in the capital of Bidco (the ***Shares***) constitute all the shares in issue in the capital of each of Bidco and INMH. Neither company has issued or agreed to issue nor does there exist any option or right to acquire or subscribe for any share or loan capital in either Bidco or INMH.

(e) The Shares have been validly issued and allotted and are fully paid or properly credited as fully paid in Bidco and INMH.

(f) INM (or a wholly owned subsidiary of INM) is the sole legal and beneficial owners of the Shares free from all encumbrances.

(g) Neither Bidco or INMH is the holder or beneficial owner of any shares or securities or has any interest in any other body corporate, unincorporated body, undertaking or association (whether in Australia or elsewhere) other than Bidco in the case of INMH and Alex in the case of Bidco, nor has it agreed to acquire any such shares, securities or interests.

(h) Other than in relation to those matters which are conditions to the Scheme, there are no agreements or arrangements in existence to create any encumbrances over any of the Shares or assets or either Bidco or INMH or under which any person has the right (exercisable now or in the future and whether contingent or not) to call for the issue of any further shares in either INMH or Bidco.

(i) No meeting has been convened to consider a resolution, no resolution has been passed and no order has been made and no petition has been presented for the winding up of either INMH or Bidco and no receiver or administrator or similar person has been appointed by or in respect of either INMH or Bidco.

(j) Each of Bidco and INMH has conducted its businesses in all material respects in accordance with all applicable laws and regulations of Australia and any relevant foreign country.

(k) Neither Bidco nor INMH is engaged in any litigation, arbitration or other dispute resolution process or administrative or criminal proceedings, whether as claimant, defendant or otherwise. There are no litigation, arbitration or other dispute resolution process or administrative or criminal proceedings pending, threatened or expected by or against either Bidco and/or INMH.

(l) All necessary information, notices, returns, particulars, declarations, entries, claims and computations have been properly submitted in a timely manner by or on behalf of Bidco and INMH to the relevant taxation authority and such submissions are true and accurate in all material respects and neither Bidco nor INMH has received written notice of any question or dispute from or with any taxation authority.

(m) In respect of the period since the date of incorporation of Bidco and of INMH all taxation for which either Bidco and/or INMH is liable (insofar as such taxation ought to have been paid) has been paid in a timely manner; each of Bidco and INMH has fully deducted all amounts from any payments from which taxation falls to be deducted at source; and has duly paid or accounted for such amounts to the relevant taxation authority.

SCHEDULE 3

PART 1

1. NOTICES

How to give a notice

1.1 A notice, consent or other communication under this Agreement is only effective if it is:

(a) in writing, signed by or on behalf of the person giving it;

(b) addressed to the person to whom it is to be given; and

(c) either:

(i) delivered or sent by pre-paid mail (by airmail if the addressee is overseas) to that person's address; or

(ii) sent by fax to that person's fax number and the machine from which it is sent produces a report that states that it was sent in full.

When a notice is given

1.2 A notice, consent or other communication that complies with this clause is regarded as given and received:

(a) if it is delivered or sent by fax:

(iii) by 5.00 pm (local time in the place of receipt) on a Business Day - on that day; or

(iv) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day - on the next Business Day,

unless the recipient notifies the sender within six working hours in the place of receipt that the fax has not been received in its entirely legible form; and

(b) if it is sent by mail:

(v) within the country of the addressee - three Business Days after posting; or

(vi) to a place outside the country from which it is posted or from a place outside the country of the addressee - seven Business Days after posting by airmail.

Address for notices

1.3 A person's address and fax number are those set out below, or as the person notifies the sender:

Party	Address	Fax number	Attention
Independent News & Media Holdings Pty Limited	Level 11 1 York Street Sydney NSW Australia 2000	+61 2 9256 6611	Stephen Guthrie
Independent News & Media (Australia) Limited	Minter Ellison Level 3 25 National Circuit Forrest ACT Australia 2603	+61 2 9256 6611	Stephen Guthrie
Independent News & Media PLC	Independent House, 2023 Bianconi Avenue, Citywest Business Campus, Naas Road, Dublin 24, Ireland	+353 1 4663222	Andrew Donagher
P6 Normandy Lux I S. à r.l	c/o Providence Equity LLP 78 Brook Street London W1K 5EF UK	+44 20 7514 8821	John Hahn and Karim Tabet
CA Normandy Lux I S. à r.l.	c/o The Carlyle Group, Lansdowne House 57 Berkeley Square London W1J 6ER UK	+44 20 7894 1600	Christopher Finn

PART 2

Party	Address	Fax number	Attention
Independent News & Media Holdings Pty Limited	Independent House, 191 Marsh Wall, London E14 9RS UK	+44 207 005 3802	Andrew Round
Independent News & Media (Australia) Limited	Independent House 191 Marsh Wall, London E14 9RS UK	+44 207 005 3802	Andrew Round

Party	Address	Fax number	Attention
Independent News & Media PLC	Independent House 191 Marsh Wall, London E14 9RS	+44 207 005 3802	Andrew Round
P6 Normandy Lux I S. à r.l	c/o Providence Equity LLP 78 Brook Street London W1K 5EF UK	+44 20 7514 8821	John Hahn and Karim Tabet
CA Normandy Lux I S. à r.l.	c/o The Carlyle Group, Lansdowne House 57 Berkeley Square London W1J 6ER UK	+44 20 7894 1600	Christopher Finn