

4 May 2010

Dear Shareholder

### Share Purchase Plan Offer

The Board of Directors of Super Cheap Auto Group Limited (“**the Company**”) is pleased to offer you the opportunity to participate in a share purchase plan (“**SPP**”), allowing you to contribute up to approximately A\$10,000 in applying for fully paid ordinary shares in the Company (“**Shares**”). The Company also recently completed a placement of shares to sophisticated, experienced and professional investors announced to the market on 27 April 2010 which raised approximately A\$76.32 million (“**Placement**”).

Participation in the SPP is optional and is open to shareholders who are holders of fully paid ordinary shares in the Company at 7.00pm (AEST) Friday 30 April 2010 (the “**Record Date**”) and whose registered address is in Australia or New Zealand. For New Zealand shareholders, you must still be a shareholder on the date of this letter.

The purpose of the SPP and the Placement is to fund the acquisition of *Ray’s Outdoors* as announced to the market on 27 April 2010 and the Company’s working capital requirements.

Having considered a wide range of capital management options, the Board believes the chosen capital strategy involving the Placement and the SPP achieves an appropriate capital structure and allows both the Company’s institutional and retail shareholders to participate in the equity raising.

Highlights of the SPP include:

- an issue price of A\$4.80, being the price at which the Company shares were issued to institutional investors under the Placement;
- no brokerage or participation costs payable;
- if you are an eligible shareholder, you can contribute A\$499.20, A\$998.40, A\$4,996.80 or A\$9,998.40; and
- subject to any potential scaleback, the number of Shares allotted to you will be based on your application money, divided by the issue price and rounded down.

If applications for Shares under the SPP exceed A\$10 million, the Company may, in its absolute discretion, undertake a scaleback to the extent and in the manner it sees fit. Preference will be given to those eligible shareholders who have not disposed of any of their shareholding in the period between the announcement of the SPP and the Allotment Date and any such other criteria as determined to be appropriate by the Board of the Company. If

it does, you may be allocated fewer Shares than the parcel of Shares for which you applied, and you will be refunded the difference in the application amount (without interest payable on funds prior to your refund).

**How to apply**

To apply for a parcel of shares please follow the instructions on the enclosed Application Form and ensure your application is received in cleared funds no later than 5.00pm (AEST) Friday 21 May 2010.

Shares issued under the SPP will have the same entitlements as other shares in the Company, including the right to receive dividends.

I encourage you to carefully read the attached Terms and Conditions. If you are unsure about whether to participate, please contact your professional adviser. If you require further information, please contact Link Market Services Limited (contact details are in the enclosed Application Form).

Yours sincerely



RJ Wright  
Chairman

## Key Dates\*

Date (and time if relevant)	Event
7.00pm (AEST) Friday 30 April 2010	<b>Record Date</b> The date and time on which SUL determines who is eligible to participate in the SPP.
Monday 10 May 2010	<b>Opening Date</b>
5.00 pm (AEST) Friday 21 May 2010	<b>Closing Date</b> The offer closes at, and applications must be received by, this time and date.
Wednesday 26 May 2010	<b>Scaleback Date</b> The date on which any scaleback is announced.
Thursday 27 May 2010	<b>Allotment Date</b> The date on which Shares are allotted.
Thursday 27 May 2010	<b>Trading Date</b> The date on which Shares are expected to begin trading.
Monday 31 May 2010	<b>Dispatch Date</b> Transaction confirmations / holding statements will be sent to shareholders on or around this date.

\* The Company may change any of the Key Dates at its discretion (even if the offer has opened or applications have been received).

## How to participate

To participate in the SPP, please read the Terms and Conditions carefully and follow the step-by-step instructions on the Application Form.

To apply and pay, you have two options:

### Option 1: BPAY<sup>®1</sup>

Provided you are not a custodian (see paragraph (d) of “Significance of applying for Shares” in the Terms and Conditions), you can make a payment by BPAY if you have an Australian bank account enabled for this purpose. BPAY customers must use the customer reference number shown on the Application Form which is required to identify your holding. If paying by BPAY, you do not need to return your Application Form.

<sup>1</sup> ® Registered to Bpay Pty Ltd ABN 69 079 137 518.

## **Option 2: Application Form and cheque, bank draft or money order**

You can complete the Application Form and return it to Link Market Services Limited, together with a cheque, bank draft or money order, in accordance with the instructions on the Application Form.

Cheques, bank drafts and money orders must be made payable to "Super Cheap Auto Group Limited" in Australian dollars and drawn on an Australian bank for the correct amount. The Company will not accept payment by cash.

### **Timing**

All payments and applications must be received **before 5.00pm (AEST) 21 May 2010**. You cannot withdraw or cancel your application or BPAY payment once you have sent it in.

### **Questions**

If you have any questions, please contact Link Market Services Limited any time between 9.00 am and 5.00 pm (AEST) Monday to Friday:

### **Link Market Services Limited**

**Level 15, 324 Queen Street**

**BRISBANE QLD 4000**

Registry information line (Australia) 1800 170 502

Registry information line (outside Australia) +61 2 8280 7323

### **No offer in the US or to US persons**

*These materials do not constitute an offer of securities for sale in the United States or to "U.S. persons" (as defined in Regulation S under the U.S. Securities Act) and may not be sent or disseminated in, directly or indirectly, the United States or to any "U.S. person" in any place. The Company's shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered, sold or otherwise transferred in the United States or to any "U.S. person" except in compliance with the registration requirements of the U.S. Securities Act and any other applicable state securities laws or pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.*

## Terms and Conditions

**IMPORTANT NOTICE:** The market price of Shares may rise or fall from now to when the Shares are allotted to you under the SPP. Therefore, if you apply for and we allot to you Shares under the SPP, the issue price for those Shares may be more than, or less than, the market price of the Company's shares you could buy at that time. By completing and returning the Application Form or making a BPAY payment, you acknowledge this risk. We encourage you to contact your professional advisor regarding whether to participate in the SPP and how much to contribute.

## Share Purchase Plan

Super Cheap Auto Group Limited ("**the Company**") is pleased to provide Eligible Shareholders with the opportunity to participate in the 2010 Share Purchase Plan ( "**SPP**") by allowing them to contribute up to approximately A\$10,000 in applying for new fully paid ordinary shares in the Company ("**Shares**"), without incurring brokerage or other transaction costs. The amount an Eligible Shareholder can contribute will be restricted to a cumulative total of A\$9,998.40. Details of this offer and how to participate are set out below.

## Background

On 28 April 2010, the Company announced that it successfully completed a placement of 15.9 million fully paid ordinary shares to sophisticated, experienced and professional investors at an issue price of A\$4.80 per share, raising approximately A\$76.3 million ("**Placement**"). The Company also announced the Placement would be accompanied by an SPP under which eligible shareholders will be entitled to contribute up to A\$9,998.40 in applying for Shares. If applications for Shares under the SPP exceed A\$10 million, the Company may, in its absolute discretion, undertake a scaleback to the extent and in the manner it sees fit.

The purpose of the SPP and the Placement are to expand the Company's retail footprint by funding the acquisition of *Ray's Outdoors* as announced to the market on 27 April 2010 and to fund the Company's working capital requirements.

## Offer timetable

- (a) The offer timetable is set out in the Key Dates above and is included in these Terms and Conditions.
- (b) Payment by BPAY, Application Forms, cheques, bank drafts and money orders may not be processed and may not be valid if they have not been received by Link Market Services Limited by the time and date specified for the Closing Date. You must allow adequate time for Application Forms and cheques, bank drafts or money orders forwarded by post to be received by Link Market Services Limited.
- (c) Any reduction in the allotments of Shares under the SPP will be announced on the Scaleback Date ("**Scaleback**").
- (d) The Company expects to send a transaction confirmation or holding statement to you on or around the Dispatch Date.
- (e) The Company expects that the Shares will be allotted under the SPP on the Allotment Date and will commence trading on ASX on the Trading Date. You must confirm your

holding before trading in any Shares you believe have been allotted to you under the SPP.

- (f) At any time, the Company can change the Closing Date, Allotment Date, Dispatch Date and the Trading Date (even if the offer has opened, or BPAY payments and Application Forms have been received) by lodging a revised timetable with ASX.

### **Eligibility to participate in the SPP**

You are an eligible shareholder and may participate in the SPP if you were a registered holder of the Company Shares at 7.00pm (AEST) 30 April 2010 (the “**Record Date**”) with a registered address in Australia or New Zealand (“**Eligible Shareholder**”). For New Zealand shareholders, you must still be a shareholder at the date of this offer, that is, the date of the Chairman’s letter. The Company has determined that it is not practical for holders of Shares with registered addresses in other countries to participate in the SPP. You are not eligible if you are a “U.S. person” (as defined in Regulation S under the US Securities Act of 1933 as amended) (“**US Person**”) or acting for the account or benefit of a US Person.

- **Holders receiving more than one offer:** If you are the only registered holder of a holding of Shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only contribute a maximum of A\$9,998.40 in applying for Shares.
- **Joint holders:** If you are recorded with one or more other persons as the joint holder of a holding of Shares, that joint holding is considered to be a single registered holding for the purpose of the SPP, and the joint holders are entitled to participate in respect of that single holding only. If the same joint holders receive more than one offer under the SPP due to multiple identical holdings, the joint holders may only contribute a maximum of A\$9,998.40 in applying for Shares.
- **Custodians, trustees and nominees:** If you are a custodian, trustee or nominee within the definition of “custodian” in ASIC Class Order [CO 09/425] (“**Custodian**”) and hold Shares on behalf of one or more persons (each a “**Participating Beneficiary**”), you may contribute a maximum of A\$9,998.40 in applying for Shares for each Participating Beneficiary, subject to providing us with a notice in writing in which you certify to us the matters required by ASIC [CO 09/425] condition 9. Contact Link Market Services Limited for a copy of the Custodian Certificate which is required to be attached to the Application Form and lodged with Link Market Services Limited.

If you hold Shares as a trustee or nominee for another person, but are not a Custodian, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings apply and you may only contribute a maximum of A\$9,998.40 in applying for Shares. You are not eligible to participate on behalf of a person who resides outside Australia and New Zealand.

### **Participation is optional**

Participation in the SPP is entirely optional (subject to the eligibility criteria set out above). The offer to acquire Shares is not a recommendation. If you are in any doubt about this offer, whether you should participate in the SPP or how such participation will affect you (particularly given the current volatility in financial markets), you should consider seeking independent

financial and taxation advice before making a decision as to whether or not to accept this offer. The Company also recommends that you monitor the Company Share price, which can be found on the Australian Securities Exchange website at [www.asx.com.au](http://www.asx.com.au) (ASX code: SUL).

### **Applications may be scaled back**

- (a) The Company reserves the right to determine the amount it raises through the SPP and may Scaleback, in its absolute discretion, if it receives applications for more than A\$10 million.
- (b) If there is a Scaleback you may not receive all the Shares for which you have applied. Preference will be given to those Eligible Shareholders who have not disposed of any of their shareholding in the period between the announcement of the SPP and the Allotment Date and any such other criteria as determined to be appropriate by the Board of the Company.
- (c) If a Scaleback produces a fractional number when applied to your parcel, the number of Shares you will be allotted will be rounded down.
- (d) The Company will refund to you by direct credit deposit to your nominated bank account, the difference between your application money and the total issue price for the Shares allotted to you.

### **Issue price**

The issue price for each Share is A\$4.80 being the price at which Shares were issued to institutional investors under the Placement.

You should note that the Company share price may rise or fall between the date of this offer and the date when Shares are allotted and issued to you under the SPP. This means that the price you pay per share pursuant to this offer may be either higher or lower than the share price at the time of the offer or at the time the Shares are issued and allotted to you under the SPP.

### **How much can you invest?**

- (a) If you are an Eligible Shareholder, you may apply to buy a parcel of Shares by contributing a set amount of A\$499.20, A\$998.40, A\$4,996.80 or A\$9,998.40.
- (b) This parcel may be subject to a Scaleback and rounding.
- (c) Unless you are applying as a Custodian, the maximum amount of A\$9,998.40 applies even if you receive more than one Application Form or if you hold shares in the Company in more than one capacity (e.g. if you are both a sole and joint holder of shares in the Company – see “Eligibility to participate in the SPP” above) and irrespective of the number of Shares you hold on the Record Date. We can reject any application for Shares if we believe you have not complied with this condition.

### **Significance of applying for Shares**

If you apply to participate in the SPP:

- (a) you agree that once you have sent in your application or made your BPAY payment, you cannot withdraw or cancel your application and your application is unconditional;

- (b) you confirm that you are an Eligible Shareholder and that you are lawfully permitted to accept the offer under the SPP and participate in the SPP in accordance with these Terms and Conditions and any applicable laws and specifically that you are not a “U.S. Person” as defined in Regulation S under the US Securities Act and are not acting for the account or benefit of a U.S. person;
- (c) you certify that, even if you have received more than one offer under the SPP or received offers in more than one capacity, the aggregate application money paid by you in any capacity (except as a Custodian) for:
- the Shares the subject of the Application Form or BPAY payment; and
  - any other Shares issued to you, or to a Custodian on your behalf and at your instruction, under the SPP or any similar arrangement operated by the Company in the 12 months before the date we received your Application Form or BPAY payment,
- is not more than A\$9,998.40;
- (d) if you are a Custodian and are applying for Shares with a total application price exceeding A\$9,998.40, you agree that we may refuse to accept your application and that we may not issue Shares to you unless we have received a notice in writing in which you certify to us the matters required by ASIC [CO 09/425] condition 9. Contact Link Market Services Limited for a copy of the Custodian Certificate which is required to be attached to the Application Form and lodged with Link Market Services Limited;
- (e) you agree to these Terms and Conditions and you agree not to do anything which would be contrary to the spirit, intention or purpose of the SPP;
- (f) you authorise the Company (and its officers or agents) to correct any error or omission in your Application Form and to complete the Application Form by inserting missing details if we elect to do so;
- (g) you agree that the Company may determine that your Application Form is valid and in accordance with these Terms and Conditions, even if it is incomplete, contains errors or is otherwise defective;
- (h) you agree that your application is only effective when received by us and not when posted;
- (i) you accept the risk associated with any refund that may be sent to you by direct credit or cheque to your address shown on the Company’s register;
- (j) you are responsible for any dishonour fees or other costs which the Company may incur if your cheque for payment is dishonoured;
- (k) you agree that if there is a rounding down of the number of Shares and no Scaleback, any remaining balance of your payment after your allotment will form part of the assets of the Company and will not be refunded;
- (l) you acknowledge that no interest will be paid on any application money held pending the allotment of Shares or subsequently refunded to you for any reason;
- (m) you agree that if you have previously provided the Company or its registry with bank account details for the purpose of direct credit dividends, any refund paid to you under these Terms and Conditions will be credited to that bank account;
- (n) you agree that the Company and Link Market Services Limited have not provided you with investment or financial product advice, and that they have no obligation to provide advice to you about your decision to apply for and buy Shares; and

- (o) you agree that the Company is not liable for any exercise of its discretions referred to in these Terms and Conditions.

### **Rounding of Shares**

- (a) If you apply for Shares under the SPP, you agree to contribute a certain amount to buy Shares rather than to apply for a certain number of Shares. The number of Shares you receive will be determined by:
- if there is no Scaleback applied to your allotment, dividing the amount you agree to contribute for Shares by the issue price; or
  - if there is a Scaleback applied to your allotment, dividing the amount you are taken to have contributed by the issue price.
- (b) If this calculation produces a fractional number, the number of Shares you will be allotted will be rounded down to the nearest whole number of Shares and:
- if there is no Scaleback applied to your allotment, any residual balance will form part of the assets of the Company. You will not receive a refund of this amount, which will always be less than the price of one Share issued under the SPP; or
  - if there is a Scaleback applied to your allotment, the residual balance from rounding down will be added to the refund you receive from the Scaleback.

### **Non-renounceable offer**

Your rights under this offer are personal to you and non-renounceable. This means, if you are eligible, that you cannot transfer your right to purchase Shares under the offer to anyone else.

### **No other participation costs**

No brokerage, commission or other participation costs are payable by you to acquire Shares under the SPP.

### **No interest**

No interest will be paid on any application money returned to you.

### **Ranking of Shares**

Shares issued under the SPP will, at the time of issue, rank equally with existing Shares quoted on ASX with the same voting rights, dividend rights and other entitlements.

### **No US offer**

If you apply to participate in the SPP, you acknowledge and agree that:

- (a) the Shares have not, and will not be, registered under the US Securities Act of 1933 as amended (“**US Securities Act**”) or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia and New Zealand;
- (b) the Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (c) you must not send copies of these Terms and Conditions or any other material relating to the SPP to any person in the United States or who is, or is acting for the account or benefit of, a US Person;
- (d) you must not submit an Application Form or make payment by BPAY for any person resident in the United States or who is, or is acting for the account or benefit of, a US person; and
- (e) if you do not comply with these restrictions, it may result in violations of applicable securities laws.

### **How to apply for Shares under the SPP**

If you would like to participate in the SPP, you can either:

1. complete the enclosed Application Form and return it together with your cheque, bank draft or money order made payable to “Super Cheap Auto Group Limited” drawn on an Australian bank and in Australian dollars for the correct amount, in the enclosed reply-paid envelope (New Zealand holders will need to affix the appropriate postage stamp); or
2. provided you are not a custodian (see paragraph (d) of “Significance of applying for Shares” in the Terms and Conditions), make a BPAY payment by using the personalised reference number shown on your Application Form which is required to identify your holding. If you make your payment using BPAY you do not need to return your Application Form.

New Zealand holders will not be able to make a payment using BPAY.

The Company will not accept payment by cash. Receipts for payment will not be issued. Applications will not be accepted at company stores.

### **The Company’s discretion regarding applications**

The Company may accept or reject applications for Shares under the SPP, including if:

- (a) an Application Form is incorrectly completed, incomplete or otherwise determined by the Company to be invalid;
- (b) a cheque is dishonoured or has not been completed correctly;
- (c) the correct amount corresponding to your application is not provided with the Application Form or BPAY payment;
- (d) a BPAY payment is not received or is incomplete or invalid;
- (e) unless you are applying as a Custodian, an applicant appears to be contributing more than A\$9,998.40 Shares under the SPP;

- (f) an application is received after the time and date specified as the Closing Date. The Company has a discretion whether or not to accept late BPAY payments, Application Forms and cheques, bank drafts or money orders; or
- (g) the Company believes you are not an Eligible Shareholder.

The Company must reject applications if required to do so under ASIC Class Order [CO 09/425].

The Company reserves the right to return your cheque, bank draft or money order or refund your BPAY payment and not allot you any Shares.

### **Privacy**

For details regarding the Company's privacy policy please visit its web site: [www.supercheapautogroup.com.au](http://www.supercheapautogroup.com.au).

### **Withdrawal, suspension, termination, anomalies and disputes**

The Company reserves the right to withdraw the offer at any time up to the Allotment Date.

The Company reserves the right at any time to:

- (a) waive strict compliance with any provision of these Terms and Conditions;
- (b) amend or vary these Terms and Conditions; and
- (c) suspend or terminate the SPP.

Any amendment, variation, suspension or termination is binding on all Eligible Shareholders even if the Company does not notify you of that event. The Company may settle in any manner it sees fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application for Shares. The Company's decision is conclusive and binding on all participants and other persons to whom the determination relates. The Company's rights may be exercised by the Board or any delegate of the Board.

### **Governing law**

These Terms and Conditions are governed by the law in force in Queensland.

### **Underwriting**

The SPP will not be underwritten.

### **Interpretation**

The term "these Terms and Conditions" includes terms and conditions in the Application Form, Instructions and Key Dates.