

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

THE STAR ENTERTAINMENT GROUP LIMITED

ABN

85 149 629 023

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Performance Rights (unlisted) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1,599,402 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <p>The Performance Rights are issued under the Employee Performance Plan to eligible executive employees.</p> <p>Subject to continued employment and satisfaction of the performance hurdles under the Employee Performance Plan, the Performance Rights as listed in box 2 above (or a relevant proportion thereof) will vest on 3 October 2022 and automatically convert to ordinary shares on a one for one basis.</p> <p>Performance Rights that do not vest on 3 October 2022 will automatically lapse.</p> |

+ See chapter 19 for defined terms.

4	Do the ⁺ securities rank equally in all respects from the ⁺ issue date with an existing ⁺ class of quoted ⁺ securities?	No, the Performance Rights do not rank equally with the existing class of quoted securities.
	If the additional ⁺ securities do not rank equally, please state:	The Performance Rights do not have any voting rights or rights to receive dividends attached.
	<ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	After the Performance Rights have vested and are converted to ordinary shares, those ordinary shares that are allocated to eligible executive employees will rank equally with existing fully paid ordinary shares, including the right to vote and receive dividends (Base Shares).
		In addition, eligible executive employees (<u>except</u> for the Managing Director and Chief Executive Officer) will also be allocated such number of additional ordinary shares having a value equal to the aggregate dividends (excluding franking credits) that would have been paid on the Base Shares with dividend record dates occurring during the period between the effective allocation date (3 October 2018) of the Performance Rights and the date the Base Shares are allocated.
5	Issue price or consideration	Nil consideration
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	FY2019 Grant of Performance Rights under the Employee Performance Plan (previously referred to as the Long Term Performance Plan) to eligible executive employees, including the Managing Director and Chief Executive Officer.
6a	Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A?	No
	If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i> , and comply with section 6i	
6b	The date the security holder resolution under rule 7.1A was passed	Not applicable

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	Not applicable	
6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable	
6f	Number of +securities issued under an exception in rule 7.2	Not applicable	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not applicable	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	3 April 2019	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		917,322,730	Fully paid ordinary shares

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	921,619 <u>(918,395) vested</u> 3,224 <u>(3,224) lapsed</u> <u>0</u>	Performance Rights under the FY2015 Long Term Performance Plan award – partially vested (as announced to ASX on 9 October 2018)
	694,470 <u>(72,703) forfeited</u> <u>621,767</u>	Performance Rights under the FY2016 Long Term Performance Plan award
	1,189,879 <u>(127,319) forfeited</u> <u>1,062,560</u>	Performance Rights under the FY2017 Long Term Performance Plan award
	1,785,585 <u>(185,129) forfeited</u> <u>1,600,456</u>	Performance Rights under the FY2018 Long Term Performance Plan award
	<u>1,599,402</u>	Performance Rights under the FY2019 Employee Performance Plan award
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

Part 2 - Pro rata issue

Items 11 to 33 are not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Items 35 to 37 are not applicable

Entities that have ticked box 34(b)

Items 38 to 42 are not applicable

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

 - There is no reason why those +securities should not be granted +quotation.

 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 3 April 2019
(Company Secretary)

Print name: PAULA MARTIN

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