

Media Release

For immediate release

Ironbridge Capital to acquire CanWest's stake in MediaWorks for NZ\$386m

Takeover offer for all shares to be launched valuing 100% of MediaWorks at NZ\$727m (including net debt)

8 May 2007: Ironbridge Capital, a leading independent Australasian private equity group, today announced that it intends to launch a full takeover offer, pursuant to the New Zealand Takeovers Code, for all of the shares and options in New Zealand media company, CanWest MediaWorks (NZ) Limited (MediaWorks).

The Offer follows the entry into a Lock-up Agreement by Ironbridge Capital and CanWest MediaWorks Ireland Holdings (CanWest) under which CanWest has agreed to sell its approximate 70 per cent stake in MediaWorks into the takeover offer to be made by Ironbridge for NZ\$2.43 per share in cash.

Entry into the Lock-Up Agreement and the NZ\$2.43 per share price were the result of Ironbridge's successful bid into a competitive process conducted by CanWest over recent months.

Ironbridge Capital will make a takeover offer for all of the ordinary shares and outstanding options of MediaWorks via its newly incorporated subsidiary, HT Media Ltd. Ironbridge expects to deliver the takeover offer notice to MediaWorks within seven days and the offer will be sent to shareholders within thirty days of delivery of this notice.

The takeover offer will be subject to a minimum acceptance condition of 50 per cent and other usual conditions, including the approval of the proposed acquisition by New Zealand's Overseas Investment Office. Pursuant to the lock up agreement, CanWest has agreed to tender its approximate 70 per cent stake in MediaWorks into the offer and its acceptance will fulfil the minimum acceptance condition.

The Offer

Ironbridge's offer to acquire all of the shares in MediaWorks follows a lengthy and highly contested bidding process for CanWest's approximate 70 per cent stake. The offer price of NZ\$2.43 per share to all shareholders represents:

- A 49 per cent premium to the closing price of NZ\$1.63 on 20 October 2006, the day prior to the announcement of CanWest's decision to reconsider its ownership in MediaWorks; and
- A price higher than MediaWorks' shares have traded in the last two years.

MediaWorks' shareholders will also be entitled to the company's interim dividend of 4.8 cents per share intended to be paid on 14 May. In addition, Ironbridge's offer permits MediaWorks to pay a fully imputed special cash dividend of approximately 11 cents per share prior to the settlement of the takeover offer. This special cash dividend is being considered by the Board of MediaWorks. If the special cash dividend is paid the Ironbridge offer price per share will be adjusted accordingly.

Comments

Ironbridge Capital Director Mike Hill said: "We are delighted to have secured CanWest's stake in MediaWorks through a highly competitive process.

"This acquisition follows our extensive due diligence investigation of the business. Pleasingly, the vendor recognised not only the attractive offer we put forward, but equally our commitment to preserve the strength and integrity of the MediaWorks business.

"Consistent with our investment philosophy, we are highly supportive of the management and staff at MediaWorks.

"We are now focused on presenting this compelling offer to the remaining shareholders and look forward to releasing full details in the next few weeks."

ABN AMRO NZ and Oaktower Partnership acted as joint lead financial advisors and Bell Gully acted as legal advisor to Ironbridge Capital.

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Ironbridge Capital

Ironbridge Capital is a leading independent Australian private equity manager, managing funds in excess of A\$1.5 billion on behalf of Australian and international institutional investors. Ironbridge Capital is focused on investments in medium to large sized management buyout and expansion capital transactions in Australasia.

Founded in 2003 by Neil Broekhuizen, Paul Evans, Julian Knights and Greg Ruddock, Ironbridge Capital has established itself as one of the most active private equity groups in the Australasian marketplace. Over the past two and a half years, Ironbridge has invested in eight transactions with a combined enterprise value in excess of A\$2 billion, across a range of sectors, primarily focused on fast growth service industries.

In October 2006, Ironbridge Capital successfully completed a A\$1.05 billion fund raising from Australian and international institutional investors and closed the Ironbridge Fund II. The Fund is supported by over 40 institutional investors, with approximately one-third of the capital from Australian and two-thirds from international investors. The MediaWorks transaction is the fourth Ironbridge investment in New Zealand. For more information, refer www.ironbridge.com.au