

9 August 2016

Dear Shareholder,

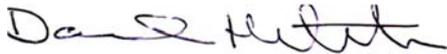
I am very pleased to advise you that Rubicon's Deed of Company Arrangement has been accepted by our three operating subsidiaries' creditors and that these three operating companies have been returned to the control of their respective directors.

We have robust businesses with excellent people and an impressive list of clients. Without the legacy liabilities, we are now in a strong position to invest in additional team members and resources and take advantage of growth opportunities.

Attached is the release to the market that has been uploaded to the ASX platform.

I look forward to reporting to you in September on the operational changes we have made during this financial year and on our vision for the future.

Yours sincerely,



David Hutchison

Executive Chairman

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ASX Announcement

9 August 2016

Creditors approve Rubicor DOCA

Three operating subsidiaries in voluntary administration to be returned to control of directors

Rubicor Group (ASX: RUB) today announced that a Deed of Company Arrangement (DOCA) has been executed between the company and Jirsch Sutherland (voluntary administrator of three operating Rubicor subsidiaries), following a vote of creditors of the three operating subsidiaries.

The DOCA encapsulates the proposal put forward by Rubicor and approved by resolution at the second meeting of creditors held on 8 August 2016. Effective immediately, control of the three operating subsidiaries in voluntary administration (Xpand Group Pty Ltd, Locher and Associates Pty Ltd and Challenge Recruitment Pty Ltd) has been returned to the control of their respective directors.

The key features of the DOCA are:

1. Rubicor's assumption of all employee entitlements and liabilities;
2. Rubicor's assumption of all obligations relating to the group finance facility with Scottish Pacific;
3. Indemnification of the voluntary administrators for their trading liabilities; and
4. Payment of an aggregate amount of \$1.8m to settle all unsecured claims.

The estimated net effect on the Rubicor consolidated balance sheet is a positive net increase in assets of approximately \$15m.

David Hutchison, Rubicor's executive chairman, said: 'We are delighted that we have reached an agreement with the three operating subsidiaries' creditors that is in the interest of all parties. This restructure has removed significant liabilities from the three operating subsidiaries that have restricted Rubicor's operations. We will now be able to invest in systems and people to take advantage of growth opportunities and restore the company to profitability.'

Rubicor is one of the largest recruitment groups in Australia and New Zealand, with 250 staff and providing services through 15 specialist brands from 16 offices.

-ENDS-

For further information, please contact:

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