

Southern Cross Broadcasting
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19 July 2007

The Manager
Australian Securities Exchange Limited
20 Bond Street
SYDNEY NSW 2000

Dear Sir/Madam,

As required by Listing Rule 3.17, we enclose a copy of the letter that will be sent to our shareholders today.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Eddie Chia", with a horizontal line underneath it.

Eddie Chia
Company Secretary



19 July 2007

Dear Shareholder

Macquarie Media Group proposed acquisition – \$17.41 cash per share

As we announced on 3 July 2007, Southern Cross Broadcasting (Australia) Limited (SCB) and Macquarie Media Group (MMG) have agreed terms on which MMG has proposed to acquire all of the shares of SCB by way of a Scheme of Arrangement. MMG has a separate arrangement directly with Fairfax to on-sell SCB's metropolitan radio, Southern Star, Satellite Music Australia and digital media businesses to Fairfax, if the Scheme is successful.

The proposal from MMG includes a cash consideration of \$17.41 per share to be paid to all SCB shareholders, comprising \$17.05 cash and a fully franked special dividend of \$0.36 per share.

The proposed Scheme is subject to approval by SCB shareholders at a Scheme Meeting expected to be held in October 2007.

SCB shareholders will also be entitled to receive a fully franked final dividend for the period to 30 June 2007 of \$0.37 per share that the SCB board intends to declare in late August 2007. The record date for this dividend is expected to be on or about 19 September 2007.

The Board of SCB unanimously recommends the offer, in the absence of a superior proposal and subject to confirmation from an independent expert that the transaction is in the best interests of SCB shareholders.

SCB shareholders do not need to do anything at this stage in relation to the Scheme.

Further details regarding the Scheme, including an Independent Experts' Report, will be set out in a detailed Scheme Booklet that will be distributed to shareholders in September 2007 ahead of the Scheme Meeting. Once the Scheme Booklet has been distributed, a shareholder information line will also be established to address any queries you may have about the Scheme.

I encourage you to read the Scheme Booklet carefully in order to make a fully informed decision on how to vote at the Scheme Meeting.

Yours faithfully

John C Dahlsen
Chairman