

Form 603

Corporations Law
Section 671B

Notice of initial substantial holder

To: Company Name/Scheme **IDT AUSTRALIA LIMITED**

ACN/ARSN **006 522 970**

1. Details of substantial holder (1)

Name: **UBS Group AG and its related bodies corporate**

ACN/ARSN (if applicable)

The holder became a substantial holder on: **30 December 2015**

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (6)
Ordinary	14,279,024	14,279,024	6.51%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
UBS Securities Australia Ltd	Beneficial Owner	9,279,024 Ordinary
UBS AG Australia Branch	Prime Broker that has exercised its borrowing right in respect of shares pursuant to a Prime Broking Agreement (see Appendix A)	5,000,000 Ordinary

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
UBS Securities Australia Ltd	Brispot Nominees Pty Ltd	UBS Securities Australia Ltd	9,279,024 Ordinary
UBS AG Australia Branch	UBS Nominees Pty Ltd	UBS AG Australia Branch	5,000,000 Ordinary

Holder of relevant interest	UBS AG, Australia Branch
Type of agreement	Prime Brokerage Agreement
Parties to agreement	(i) UBS AG, Australia Branch ("UBS AG") (ii) Client (Please refer to Appendix A-1.)
Transfer date	Please refer to Appendix A-1.
Holder of voting rights	UBS AG
Are there any restrictions on voting rights?	Please refer to the details below.
If yes, detail	Since all right and title in the securities passes to the transferee (i.e. UBS AG), the transferee has the right to vote. However, in certain circumstances, the transferee may seek to arrange for instructions to be exercised in accordance with the instructions of the transferor (i.e. Client).
Scheduled return date (if any)	None, subject to the terms of the relevant loan.
Does the borrower have the right to return early?	Yes.
If yes, detail	The borrower (i.e. UBS AG) has the right to return at its discretion.
Does the lender have the right to recall early?	Yes.
If yes, detail	The lender (i.e. Client) can recall at its request subject to compliance with margin requirements and the terms of the relevant loan.
Will the securities be returned on settlement?	Yes.
If yes, detail any exceptions	None.

Prime Brokerage Agreement - UBS AG, Australia Branch

Parties to agreement	Transfer date
Regal Funds Management Pty Ltd as trustee and manager of Atlantic Absolute Return Fund	(i) 30 December 2015
TIGA Trading Pty Limited	(i) 30 December 2015

Date of change	Person whose relevant interest changed	Nature of Change	Consideration given in relation to change	Number of securities	Class
12-Nov-15	UBS Securities Australia Ltd	Sell	6,776	(17,155)	Ordinary
16-Nov-15	UBS AG Australia Branch	Stock returned	N/A	(3,506,688)	Ordinary
25-Nov-15	UBS Securities Australia Ltd	Buy	345,258	986,450	Ordinary
08-Dec-15	UBS Securities Australia Ltd	Buy	6,322	17,155	Ordinary
30-Dec-15	UBS AG Australia Branch	Stock received	N/A	5,000,000	Ordinary