

1 for 1 free bonus option issue

Highlights

28 February 2017

- **1-for-1 free bonus option issue**
- **Exercise price of \$1.05 per share, expiring 30 April 2018**
- **Any new SNC shares purchased by exercising options prior to 10 May 2017 will qualify for 3.5 cents per share interim dividend payable on 31 May 2017**

The Directors of Sandon Capital Investments Limited (ASX:SNC) ("**SNC**" or the "**Company**") announced today a one-for-one free Bonus Option issue to all shareholders.

The options will entitle holders to purchase additional ordinary shares in SNC at the exercise price of \$1.05 per share at any time until they expire on 30 April 2018.

The options will trade on the ASX under the code SNCOA from 21 April 2017*. A Bonus Option prospectus will be sent to shareholders on or about 10 April 2017.

SNC shares will trade ex bonus entitlement on 5 April 2017. The record date to determine entitlements under the bonus option issue will be 6 April 2017.

Shareholders exercising options to acquire new SNC shares before 10 May 2017 will receive the recently declared 3.5 cents per share fully franked interim dividend.

The Directors believe this bonus option issue is an effective and equitable way to grow the Company. Growing the capital base of the Company will benefit shareholders by continuing to reduce corporate costs on a per share basis, increasing market liquidity and improving the interest in SNC shares from financial planners, stockbrokers and private investors.

A free bonus option is also a way of rewarding existing shareholders by giving them the opportunity to participate in future share price gains by acquiring shares at a fixed price of \$1.05 at any time until 30 April 2018.

Indicative timetable

Lodgement of Bonus Option Issue prospectus	10 March 2017
SNC shares trade ex-bonus entitlement	5 April 2017
Record date to determine entitlements under the Bonus Option Issue	6 April 2017
Intended date for issue and entry of options on the register	20 April 2017
Despatch of new holding statements	20 April 2017
Normal trading in options commences on ASX*	21 April 2017
Last day to exercise options to acquire shares cum-interim 3.5 cps dividend	10 May 2017
Options expire	30 April 2018

*indicative date only

Delivering fully franked dividends

The Board declared on 2 February 2017 a fully franked interim dividend of 3.5 cents per share, which was a 75% increase on the prior interim dividend. The interim dividend will be paid on 31 May 2017 and the shares will trade ex-dividend on 18 May 2017.

SNC shares are currently offering a historic dividend yield of 6.1% (8.8% when grossed up for imputation credits).¹

The Board anticipates being able to declare a similar final dividend for the year ending 30 June 2017, subject to prudent business practices and the availability of profits. Under this scenario, the prospective yield of SNC shares would increase to 6.6% (9.4% when grossed up for imputation credits).²

Dividend Policy

The SNC dividend policy is to pay a growing stream of fully franked dividends to our shareholders.

Key Dividend Dates

Dividend Dates	
Announcement date	2 February 2017
Ex-date	18 May 2017
Record date	19 May 2017
Date payable	31 May 2017

There will be no dividend reinvestment plan ("DRP") in respect of the interim dividend.

Contact

If you have any questions regarding the Company or its investments, please call Gabriel Radzynski on 02 8014 1188. If you have questions regarding your shareholding, please contact Link, whose details appear below.

Further information:

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¹ All references to yield use a closing share price on 27 February 2017 of \$1.06. Yield is calculated using the interim dividend of 3.5 cents per share and FY16 final dividend of 3.0 cents per share. Gross return is net yield grossed up for imputation credits.

² Yield uses a closing share price on 27 February 2017 of \$1.06.