

Compulsory acquisition of shares in Wealth Defender Equities

29 October 2018

WAM Capital succeeded with its takeover offer for Wealth Defender Equities Limited (WDE) on 26 October 2018. WAM Capital has a relevant interest in 95.26% of the shares in WDE.

WAM Capital intends to compulsorily acquire any remaining WDE shares that it does not hold. Compulsory acquisition notices will shortly be dispatched to all WDE shareholders who have not accepted WAM Capital's offer. The compulsory acquisition will be on the same terms as the offer, 1 WAM Capital share for every 2.5512 WDE shares.

In accordance with ASX Listing Rules, WDE will be suspended and removed from the ASX in due course.

WDE shareholders who did not accept WAM Capital's offer will have their shares compulsorily acquired and should expect to receive their WAM Capital shares in approximately 6 weeks.

The bid will result in the issuance of 39.0 million WAM Capital shares at a premium to its pre-tax net tangible assets.

For further information, visit www.wilsonassetmanagement.com.au or contact:

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Chairman &
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Chief Executive Officer
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Chief Financial Officer
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29 October 2018

Dear WDE Shareholder,

Compulsory acquisition of Wealth Defender Equities Limited shares

As at 26 October 2018, WAM Capital Limited (**WAM**) has a relevant interest in 95.26% of the shares in Wealth Defender Equities Limited (**WDE**).

As provided in WAM's bidder's statement dated 30 August 2018, WAM will compulsorily acquire any WDE shares that are not accepted through its takeover offer.

WAM will acquire any WDE shares remaining, under the compulsory acquisition provisions of the *Corporations Act 2001*(Cth). The compulsory acquisition will be on the same terms as the offer, 1 WAM share for every 2.5512 WDE shares.

On completion of the compulsory acquisition procedure, WAM will issue additional shares as the consideration for the remaining WDE shares. Subject to the *Corporations Act 2001*(Cth), this is expected to occur approximately 6 weeks after the date of this letter.

The enclosed copy of ASIC Form 6021 – Notice of compulsory acquisition following takeover bid (**Notice**), which sets out the compulsory acquisition process.

Under ASX Listing Rule 17.4, ASX will suspend quotation of WDE shares five business days after the date of the Notice. Once suspended, ASX will remove WDE from the official list of ASX at the closing of trading on a date to be determined.

Yours faithfully,

Geoff Wilson AO
Chairman
WAM Capital Limited

Notice of compulsory acquisition following takeover bid

Notice

Description of class of securities to which the bid relates

Name of target company or body

Tick applicable box(es)

To each holder of:

('Bid Class Securities')

in

Name ('the Company')

ACN/ARBN/ARSN

and each holder of securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related.

and each holder of non-transferable securities issued under an employee incentive scheme referred to in paragraph 2.

Name of bidder

Tick one box

Date offers closed or are scheduled to close

1. Under a takeover bid offers were made by

in respect of the acquisition of Bid Class Securities in the company.

The offers

closed

are scheduled to close

on

Date

/ /
[D] [D] [M] [M] [Y] [Y]

Tick applicable box(es).
(See subsection 661A(4) and (4A))

Description of securities

Description of securities

2. You are, as at the date of this notice, the holder of one or more of the following

securities in respect of which the takeover offer was made, but have not accepted the offer. (If you have accepted the offer but have received this notice you do not need to do anything in response to this notice—the bidder will acquire your securities under the offer.)

securities to which the bid related issued after the end of the offer period and before the date of this notice
 securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related

securities issued under an employee incentive scheme to which restrictions on transfer apply under the company's constitution or the terms of issue, being

the following securities in the bid class in which the bidder has a relevant interest

3. The bidder gives you notice under subsection 661B(1) of the Corporations Act 2001 ('the Act') that the bidder has become entitled pursuant to subsection

Tick one box

661A(1)

661A(3)

of the Act to compulsorily acquire your securities and desires to acquire those securities.

Continued... Notice

- 4 Under section 661D of the Act, you have the right, by notice in writing given to the bidder within one month after this notice is lodged with ASIC, to ask the bidder for a written statement of the names and addresses of everyone else the bidder has given this notice to.

This notice was lodged with ASIC on

Date

/ /
[D] [D] [M] [M] [Y] [Y]

Date of lodgement

Insert paragraph 4A only where alternative forms of consideration were offered under the bid.

- 4A. You are entitled, within one month after being given this notice (see paragraph 8), or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is the later, by notice in writing to the bidder, to elect which of the following forms of consideration will apply to the acquisition of your securities:

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| |

Details of alternative terms.

If you do not elect which of the alternative forms of consideration will apply to the acquisition of your securities, the form of consideration that will apply will be:

Set out the terms that will apply

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| |
| |

5. Under section 661E of the Act, you have the right, within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is later, to apply to the Court for an order that the securities not be compulsorily acquired.
6. The bidder is entitled and bound to acquire the securities on the terms that applied under the takeover bid immediately before
- this notice was given.
 the end of the offer period.
7. Unless the Court otherwise orders, on application made by you under section 661E of the Act within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement under section 661D (as referred to in paragraph 4 of this notice), whichever is the later, the bidder must comply with paragraph 6 of this notice.
8. A notice sent by post to you is taken to be given to you 3 days after it is posted.

Tick one box

Signature

Name of person signing

Capacity

Signature



Date signed

/ /
[D] [D] [M] [M] [Y] [Y]