

ASX Announcement

2 August 2019

Takeover Bid for Mercantile Investment Company Limited – Fulfilment of certain defeating conditions

Sandon Capital Limited (ASX:SNC) (**Sandon**) announces that the takeover offer to acquire the shares in Mercantile Investment Company Limited (ASX:MVT) (**Mercantile**) is free from the following defeating conditions which have been fulfilled:

- the condition in section 13.8(a)(iii) (repayment of revolving credit facility), which was fulfilled on 16 July 2019 following Mercantile's ASX announcement on that date; and
- the condition in section 13.8(a)(x) (no prescribed occurrences between announcement date and date of Bidder's Statement), which was fulfilled as at the date the Bidder's Statement was given to Mercantile, being 18 July 2019.

Attached to this announcement is a Notice of Fulfillment of Defeating Conditions pursuant to section 630(4) and section 630(5)(b) of the *Corporations Act 2001* (Cth).

The independent directors of Sandon encourage all Mercantile shareholders to accept the offer.

Further information:

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Link Market Services

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Postal Locked Bag A14, Sydney

Address: South NSW 1235

Section 630(4), Corporations Act 2001

Notice of Fulfilment of Defeating Conditions

Sandon Capital Investments Limited (**Sandon**) refers to its offer dated 1 August 2019 under its takeover bid for the ordinary shares in Mercantile Investment Company Limited (**Mercantile**) which is contained in the bidder's statement dated 18 July 2019 (**Bidder's Statement**). Terms defined in the Bidder's Statement have the same meaning when used in this notice unless the context requires otherwise.

Sandon gives notice in accordance with section 630(4) of the *Corporations Act 2001* (Cth) that the following defeating conditions in section 13.8 of the Bidder's Statement have been fulfilled:

- the condition in section 13.8(a)(iii) (repayment of revolving credit facility), which was fulfilled on 16 July 2019 following Mercantile's ASX announcement on that date; and
- the condition in section 13.8(a)(x) (no prescribed occurrences between Announcement Date and date of Bidder's Statement), which was fulfilled as at the date the Bidder's Statement was given to Mercantile, being 18 July 2019.

Dated 2 August 2019



Peter Velez
Independent Director

For and on behalf of Sandon Capital Investments Limited