

ASX Announcement

19 November 2019

NOTICE OF UNMARKETABLE PARCELS SHARE BUY BACK

Sandon Capital Investments Limited (**Company**) (ASX: SNC) is pleased to announce today the details of a buy back offer for holders of less than marketable parcels of shares (**UMP Holders**) in the Company (**Buy Back**). Under ASX Listing Rules, holdings of the Company's shares valued at less than \$500 are considered to be less than marketable parcels (**Unmarketable Parcels**).

The Directors value all of the Company's shareholders but also recognise that holders of Unmarketable Parcels may find it difficult or costly to dispose of their shares. The proposed Buy Back will allow UMP Holders to sell their shares in the Company without incurring brokerage and other expenses. A 'buy back' approach also allows eligible UMP Holders to receive the proceeds from the sale of their shares on a more timely basis than if a 'share sale facility' approach was used to dispose of shares.

The Buy Back will also assist in reducing the Company's share registry and other administrative costs associated with maintaining a large number of small shareholders. Of the Company's 2,956 current shareholders, 25.9% hold Unmarketable Parcels.

Based on the share register of the Company as at 7.00pm (Sydney time) on Monday 18 November 2019 (**Record Date**), an Unmarketable Parcel is any shareholding of 591 shares or less. This is determined using the closing market price of \$0.8450 per share on the Record Date. The Directors have determined that the Buy Back price will be \$0.8417 per share (being the volume weighted average price for the five-day trading period preceding the Record Date), which represents a 0.4% discount to the closing market price on the Record Date.

In brief:

- (a) a less than marketable parcel is any shareholding of 591 shares or less;
- (b) 765 out of 2,956 shareholders hold Unmarketable Parcels, totalling 138,738 shares; and
- (c) the aggregate value of the Company's shares held by all UMP Holders, based on the closing market price on the Record Date, is \$117,233.61.

The Company will pay for all costs related to the Buy Back (excluding tax consequences of the disposal of shares, which remain the responsibility of UMP Holders). The shares acquired by the Company under the Buy Back will be cancelled in accordance with the *Corporations Act 2001* (Cth).

Shareholders who own more than 591 shares will not be eligible to participate in the Buy Back.

A summary of the key dates in relation to the Buy Back is as follows:

Record Date for Buy Back	7.00pm (Sydney time), 18 November 2019
Despatch of letter and share retention form to UMP Holders	22 November 2019
Closing Date for receipt of share retention form	5.00pm (Sydney time) 3 January 2020
Estimated date for payment of Unmarketable Parcels	As soon as practicable after closing date

Attached is a copy of the letter to UMP Holders and share retention form (including contact details for further information in respect of the Buy Back), which will be sent out to UMP Holders on 22 November 2019.

For further information, contact:

Gabriel Radzyninski
Director
+61 2 8014 1188

22 November 2019

Dear Shareholder

Buy back of less than marketable parcel of shares

As announced on 19 November 2019, Sandon Capital Investments Limited (ASX: SNC) (**Company**) intends to conduct a buy back of fully paid ordinary shares from shareholders who hold less than a marketable parcel of shares as at 7.00pm (Sydney time) on 18 November 2019 (**Record Date**).

The Company recognises that shareholders who hold shares valued at less than A\$500 (**Unmarketable Parcels**) may find it difficult or costly to dispose of their shares. In order to allow these shareholders to sell their shares without incurring brokerage and other expenses, and to reduce share registry and other administrative costs for the Company, the Directors have resolved to undertake a buy back of Unmarketable Parcels under the terms set out in this letter (**Buy Back**).

Shares bought back by the Company will be cancelled in accordance with the *Corporations Act 2001* (Cth).

An Unmarketable Parcel of shares in the Company is any shareholding of 591 shares or less, based on the closing market price of \$0.8450 per share on the Record Date.

Our share registry shows that the number of shares held by you, or an entity that is associated with you, as at the Record Date is an Unmarketable Parcel.

The Directors have determined that the Buy Back price will be \$0.8417 per share (**Buy Back Price**) (being the volume weighted average price for the five-day trading period preceding the Record Date), which represents a 0.4% discount to the closing market price on the Record Date.

Your options:

1. If you would like the Company to purchase your Unmarketable Parcel of shares for \$0.8417 per share, you do not need to do anything.
2. If you do not want your shares to be purchased by the Company under the Buy Back, you must complete the enclosed Share Retention Form and return it to the share registry by no later than 5.00pm (Sydney time), 3 January 2020 (**Closing Date**).

The Company makes no recommendation as to whether you should participate in the Buy Back.

You should seek independent professional advice when deciding whether to retain your shares and if you have any questions on how the sale may affect you.

It is important to note that the market price of the Company's shares will change from time to time.

The Buy Back Price may be less than the actual market price at the time of sale and may not be the best price obtainable on the day your shares are bought back.

While the Company will pay for all costs associated with this sale, any taxation consequences arising from the disposal of Unmarketable Parcels under this Buy Back will be your responsibility.

Please consult your legal, financial or taxation advisor if you require information regarding possible taxation implications of the Buy Back.

If you require further information in respect of the Buy Back, please contact the share registry, Link Market Services Limited on 1300 554 474 on business days between the hours of 9am and 5pm (Sydney time) Monday to Friday.

Yours faithfully

A handwritten signature in black ink, appearing to be 'G. Radzynski', written in a cursive style.

Gabriel Radzynski
Chairman

INFORMATION SHEET – UNMARKETABLE PARCEL SHARE BUY BACK

What is an unmarketable parcel of shares?

Under the ASX Listing Rules, any shareholding valued at less than \$500 is considered to be less than a marketable parcel of shares.

An unmarketable parcel of SNC shares is any shareholding of 591 shares or less, based on the closing market price of \$0.8450 per share on the Record Date (18 November 2019).

This represents 138,738 shares held by 765 affected shareholders.

Why is the Company focusing on small shareholdings?

While the Company welcomes the support of all shareholders, those who hold a small number of shares often find it difficult or costly to dispose of their shares, and may not have access to a broker.

There are also administrative costs, which apply regardless of the size of the shareholding. As such, this cost is often disproportionately high and is presently a cost burden for the Company.

What price will I receive for my shares?

The price that you will receive for your shares under the Buy Back is \$0.8417 per share (being the volume weighted average price for the five-day trading period preceding the Record Date), which represents a 0.4% discount to the closing market price on the Record Date.

When will I receive the proceeds of the Buy Back?

If the Company purchases your shares under the Buy Back, the sale proceeds will be remitted to you as soon as practicable after the Closing Date. Payment will be made in Australian dollars (AUD) and will be deposited into the bank account noted on your holding on the register, or will be sent to you by cheque at the address recorded in the register of members.

What do I need to do to retain my shares?

If you would like to retain your shareholding in the Company, you may:

- (a) sign and return your share retention form to:

Mailing Address

Sandon Capital Investments Limited
c/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Hand Delivery

Sandon Capital Investments Limited
c/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

or

Sandon Capital Investments Limited
c/- Level 12, 680 George Street
Sydney NSW 2000

Please ensure that your completed share retention form is received by 5.00pm (Sydney time) on 3 January 2020. If your completed share retention form is received by that time, your shares will not be bought back. Written instructions should be mailed to the same address if you wish to withdraw your form after you have lodged it; or

- (b) increase the number of the Company's shares you hold to a marketable parcel. You could do this by merging multiple holdings or acquiring additional shares in the Company on market such that your registered holding at the Closing Date is 592 shares or greater.

What happens if I do not submit a Share Retention Form?

If your shareholding remains as an Unmarketable Parcel of shares at 5.00pm (Sydney time) on 3 January 2020, all shares held under the Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) will be bought-back and cancelled by the Company.

Where can I get further information?

If you have any further questions concerning your shareholding or how the Buy Back will work, please contact the Company's share registry, Link Market Services Limited on business days between the hours of 9am and 5pm (Sydney time) Monday to Friday.

Important notes

The Company reserves the right to change any of the dates referred to in this letter by notice to the ASX.

This letter and accompanying information sheet do not constitute advice and are not intended as a recommendation to buy, sell, or hold shares, or as a recommendation that the Buy Back is the best way to sell your shares.

The sale of shares can have tax consequences. If you are in doubt about what to do, you should consult your independent legal, financial or taxation adviser.

SANDON CAPITAL

Sandon Capital Investments Limited

ABN 31 107 772 467

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1300 554 474
From outside Australia: +61 1300 554 474
Facsimile: +61 2 9287 0303
ASX Code: SNC
Website: www.linkmarketservices.com.au

SRN/HIN:

Number of Shares held as at
the Record Date, 7:00pm (AEST)
on 18 November 2019:

IMPORTANT NOTICE

Please return this slip if you do not wish your Shares in Sandon Capital Investments Limited to be sold. If you do not understand this notice you should immediately consult your financial adviser.

SHARE RETENTION FORM

If you wish to retain your Shareholding in Sandon Capital Investments Limited ("Sandon") you must detach this slip and return it to Sandon's Registry, so that it is received no later than 5:00pm (Sydney time), on Friday 3 January 2020. Slips may be mailed or delivered to the addresses below.

Mailing Address

Sandon Capital Investments Limited
C/- Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

or

Hand Delivery

Sandon Capital Investments Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138

(Do not use this address for mailing purposes)

**THIS FORM MUST BE RECEIVED BY LINK MARKET SERVICES LIMITED
BY NO LATER THAN 5:00PM (SYDNEY TIME) ON THE FRIDAY 3 JANUARY 2020**

If you require further information regarding this form, please contact the Sandon Capital Investments Limited Information Line on 1300 554 474 (within Australia) or +61 1300 554 474 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.

Please detach

SANDON CAPITAL

ABN 31 107 772 467

SRN/HIN:



RETENTION SLIP

I/We the Shareholder(s) described above by returning this retention slip, hereby give notice that I/we wish to retain my/our Shareholding in Sandon.



DO NOT SELL MY SHARES

CONTACT DETAILS – Telephone number

Telephone number – after hours

Contact name