

Mercantile Investment Company Limited

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24 June 2021

RESTRUCTURE OF NOTE TERMS APPROVED AND PLACEMENT BECOMES UNCONDITIONAL

Mercantile Investment Company Limited (ACN 121 415 576) (**MVT**) (a wholly owned subsidiary of Sandon Capital Investments Limited (**SNC**)) refers to its notice of meeting dated 28 May 2021 (**Notice of Meeting**). MVT yesterday held an extraordinary general meeting of MVT noteholders (**Noteholders**) to seek approval to amend the terms of MVT's unsecured notes (**ASX:MVTHA**) (**Notes**) (**Restructure Proposal**). The Restructure Proposal was approved by the requisite majority of Noteholders voting at the meeting.

As the special resolution to approve the Restructure Proposal has been passed:

- the amendments to the terms of the Notes implemented under the Restructure Proposal, which included extending the maturity date from 10 July 2021 to 10 July 2026, have been approved;
- on 10 July 2021, MVT will redeem, a total of 82,509 Notes;
- allotment of 150,000 new Notes (to raise \$15 million) will occur on 1 July 2021;
- the interest rate to apply to all Notes on issue will be 4.8% per annum on and from 11 July 2021; and
- SNC has executed a deed poll in favour of MVT and MVT Noteholders guaranteeing MVT's payment obligations under the terms of the MVT Notes.

Following redemption of all Notes for which a valid redemption notice was received and allotment of Notes pursuant to the now unconditional placement, there will be 290,578 MVTHA Notes on issue. The table below shows these movements:

Notes currently on issue	223,087
Redemption election notices received and accepted	(82,509)
New notes to be issued	150,000
Total Notes on issue following completion of Restructure Proposal	290,578

This announcement has been approved by the boards of SNC and MVT.

Contact

If you have any questions regarding:

- the Restructure Proposal which has been approved, please call Gabriel Radzynski on 02 8014 1188; or
- your Note holding, please contact Link, whose details appear below.

Further information:

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