



Update Summary

Entity name

MERCANTILE INVESTMENT COMPANY LTD

Announcement Type

Update to previous announcement

Date of this announcement

24/6/2021

Reason for update to a previous announcement

To update the approval of the restructure proposal at the Noteholders meeting held on 23 June 2021 and that the placement has become unconditional.

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

MERCANTILE INVESTMENT COMPANY LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

15121415576

1.3 ASX issuer code

MVT

1.4 The announcement is

Update/amendment to previous announcement

1.4a Reason for update to a previous announcement

To update the approval of the restructure proposal at the Noteholders meeting held on 23 June 2021 and that the placement has become unconditional.

1.4b Date of previous announcement to this update

27/5/2021

1.5 Date of this announcement

24/6/2021

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ASX +security code and description

MVTHA : BOND 8.00% 10-07-21 SEMI SUB

Number of +securities proposed to be issued

150,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 100.00000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes



Part 7C - Timetable

7C.1 Proposed +issue date

1/7/2021

Part 7D - Listing Rule requirements

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

Acacia Partners Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Acacia Partners Pty Ltd, as lead arranger, will receive a management fee of \$225,000 plus GST and 1% of the gross proceeds of allocations to wholesale, sophisticated and professional investors under the placement.

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

None, other than the lead arranger fee referred to in 7E.1b



Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

To fund the redemptions of Notes as per the restructure proposal approved at the Noteholders meeting held on 23 June 2021, working capital requirements and to fund additional investments by Mercantile and its parent company.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

Under the Placement, the Company will issue 150,000 new Notes worth \$15,000,000. With the approval of the restructure proposal at the Noteholders meeting held on 23 June 2021, the Placement is unconditional and the proceeds of the placement will be used to fund redemptions.