



HUNTER HALL INTERNATIONAL LIMITED

ABN 43 059 300 426

4 January 2017

Market Announcements Office
ASX Limited
Level 5, 20 Bridge Street
Sydney NSW 2000

HUNTER HALL INTERNATIONAL LIMITED (HHL) MARKET UPDATE

Washington H. Soul Pattinson and Company Limited (ASX:SOL) (WHSP) announced on 30 December 2016 its intention to make an offer to acquire all of the shares in Hunter Hall International Limited (ASX:HHL) for \$1.00 by way of an off-market takeover (WHSP Takeover Offer).

The WHSP Takeover Offer of \$1.00 represents a material discount to HHL's prevailing share price being a:

- 67.7% discount to HHL's share price prior to close on 30 December 2016
- 69.1% discount to the 30 day HHL's 30 day volume weighted average share price up to 30 December 2016
- 60.0% discount to HHL's share price on 3 January 2017

WHSP announced the WHSP Takeover Offer after Peter Hall agreed to sell a 19.9% interest in HHL to WHSP. Peter Hall owns a further 24.05% of HHL issued shares and has indicated his current willingness to accept the WHSP Takeover Offer if a superior proposal does not eventuate.

Given the nature of the transaction, and Peter Hall's direct involvement, the HHL Board has established an independent board committee (IBC). The IBC will undertake a detailed review of the WHSP Takeover Offer in conjunction with its advisors as well as consider all other strategic alternatives available to the Company.

WHSP has indicated that it expects to lodge a bidder's statement with ASIC and HHL within 14 days of its announcement of the bid which occurred on 30 December 2016.

As previously announced, Peter will continue as HHL's Chief Executive Officer and as a Director of both HHL and Hunter Hall Global Value Limited (ASX:HHV), a listed investment company managed by Hunter Hall Investment Management (HHIML), a wholly owned subsidiary of HHL.

Following Peter's resignation from the position of Chief Investment Officer (CIO), the Board of HHL has commenced the process of considering both internal and external candidates for this role. As previously announced, Peter will continue as CIO until the end of his six month notice period unless the Board and Peter agree otherwise.

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The management of HHL's retail unit trusts and HHV remain unchanged with the HHIML investment team including Peter Hall, James McDonald (Deputy Chief Investment Officer), Jonathan Rabinovitz (Deputy Chief Investment Officer) and the broader team of six investment professionals continuing to be responsible for the daily investment decisions pertaining to these funds.

No action is required by HHL shareholders at this time.

The IBC has appointed K&L Gates as legal advisor and Moelis & Company as financial advisor.

The IBC will provide further updates to the market as appropriate.



Kevin Eley

Chairman