

CENTURY AUSTRALIA

INVESTMENTS LIMITED



To: Australian Securities Exchange

From: Century Australia Investments Limited

Date: 21 February 2017

Subject: Update on proposed restructure and conclusion of independent expert

Shareholder booklet

Century Australia Investments Limited (**CYA**) is pleased to announce that the shareholder booklet (comprising a notice of meeting, explanatory memorandum and independent expert's report) relating to the proposal by Wilson Asset Management for the proposed restructure of CYA has been provided to the Australian Securities Exchange for review.

The proposed restructure involves:

- CYA offering to buy-back its existing shares, including the substantial interest held by entities managed by Wilson Asset Management;
- CYA seeking to recapitalise by way of a public offer of new shares;
- a change to the investment manager of CYA to MAM Pty Limited (MAM), a member of the Wilson Asset Management group and experienced LIC manager; and
- the appointment of Chris Stott, Chief Investment Officer of Wilson Asset Management, as a director of CYA.

CYA currently expects to finalise the booklet and publish it on ASX's announcement platform next week and to complete the dispatch of the booklet to shareholders in the second week of March 2017. This timetable would lead to an extraordinary general meeting to vote on the proposed transaction being held at the beginning of April.

Conclusion of independent expert

CYA engaged Grant Thornton Corporate Finance Pty Ltd as independent expert to report on certain aspects of the proposed restructure, being:

- whether the proposed buy-back is fair and reasonable to shareholders; and
- whether the acquisition by CYA of shares from entities managed by Wilson Asset Management under the buy-back is fair and reasonable to non-associated shareholders.

Century Australia Investments Limited ABN 11 107 772 761

Level 3, 99 Bathurst Street, Sydney NSW 2000 Australia

Telephone 61 2 8262 2800 Fax 61 2 9221 1194 www.centuryaustralia.com.au



The independent expert concluded that:

- the buy-back is fair and reasonable to shareholders if more than 53.1% of the current outstanding shares participate in the buy-back; and
- the participation of entities managed by Wilson in the buy-back is fair and reasonable to non-associated shareholders.

The independent expert concluded that, if less than 53.1% of the current outstanding shares participate in the buy-back, the buy-back will be slightly unfair (as the amount payable will be 0.3% lower than the low end of its valuation assessment) however that, in these circumstances, the buy-back is reasonable.

Recommendation of independent directors

The independent directors continue to support the buy-back and share offer as it will provide shareholders with an ability to either exit their investment at close to NTA or increase their investment under the new manager if they wish.

Sophia Gartzonis

Company Secretary

