

Form 603

Corporations Act 2001 Section 671B

Notice of initial substantial holder

To Company name/Scheme **Simonds Group Limited**
A.C.N. or A.R.S.N. **ACN 143 841 801**

1 Details of substantial holder (1)

Name **Vallence Gary Simonds and the entities named in this Form 603**
ACN/ARSN (if applicable)

The holder became a substantial holder on 20 November 2014

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	56,138,895	56,138,895	37.08%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Simonds Custodians Pty Ltd ACN 050 199 365 as trustee for the Gary Simonds No 1 Family Trust	Holder of fully paid ordinary shares	6,560,004 fully paid ordinary shares
Simonds Custodians Pty Ltd ACN 050 199 365 as trustee for the Gary Simonds No 2 Family Trust	Holder of fully paid ordinary shares	9,840,006 fully paid ordinary shares
Simonds Custodians Pty Ltd ACN 050 199 365 as trustee for the Gary Simonds No 3 Family Trust	Holder of fully paid ordinary shares	16,400,010 fully paid ordinary shares
Simonds Constructions Pty Ltd ACN 137 871 982 as trustee for the Simonds Homes Discretionary Trust	Holder of fully paid ordinary shares	21,485,018 fully paid ordinary shares
Madisson Constructions Pty Ltd ACN 141 838 726 as trustee for the Madisson Homes Trust	Holder of fully paid ordinary shares	1,572,678 fully paid ordinary shares
Vallence Gary Simonds (direct)	Holder of fully paid ordinary shares	281,179 fully paid ordinary shares
Vallence Gary Simonds (indirect)	Shareholder and director of Simonds Custodians Pty Ltd, Simonds Constructions Pty Ltd and Madisson Constructions Pty Ltd, and beneficiary under each trust	55,857,716 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 1 Family Trust	Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 1 Family Trust	Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 1 Family Trust	6,560,004 fully paid ordinary shares
Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 2 Family Trust	Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 2 Family Trust	Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 2 Family Trust	9,840,006 fully paid ordinary shares
Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 3 Family Trust	Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 3 Family Trust	Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 3 Family Trust	16,400,010 fully paid ordinary shares
Simonds Constructions Pty Ltd as trustee for the Simonds Homes Discretionary Trust	Simonds Constructions Pty Ltd as trustee for the Simonds Homes Discretionary Trust	Simonds Constructions Pty Ltd as trustee for the Simonds Homes Discretionary Trust	21,485,018 fully paid ordinary shares
Madisson Constructions Pty Ltd as trustee for the Madisson Homes Trust	Madisson Constructions Pty Ltd as trustee for the Madisson Homes Trust	Madisson Constructions Pty Ltd as trustee for the Madisson Homes Trust	1,572,678 fully paid ordinary shares
Vallence Gary Simonds	Vallence Gary Simonds	Vallence Gary Simonds	281,179 fully paid ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 1 Family Trust	30 June 2010, and subject to a share split on 24 September 2014	\$16.00 as part of restructure		6,560,004 fully paid ordinary shares
Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 2 Family Trust	30 June 2010, and subject to a share split on 24 September 2014	\$24.00 as part of restructure		9,840,006 fully paid ordinary shares
Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 3 Family Trust	30 June 2010, and subject to a share split on 24 September 2014	\$40.00 as part of restructure		16,400,010 fully paid ordinary shares
Simonds Constructions Pty Ltd as trustee for the Simonds Homes Discretionary Trust	30 June 2010, and subject to a share split on 24 September 2014	\$328,727.60 as part of restructure		21,485,018 fully paid ordinary shares
Madisson Constructions Pty Ltd as trustee for the Madisson Homes Trust	30 June 2010, and subject to a share split on 24 September 2014	\$15.20 as part of restructure		1,572,678 fully paid ordinary shares
Vallence Gary Simonds (direct)	20 November 2014	\$500,500.40		281,179 fully paid ordinary shares
Vallence Gary Simonds (indirect)	30 June 2010, and subject to a share split on 24 September 2014	N/A		55,857,716 fully paid ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Vallence Gary Simonds	By virtue of being a director and shareholder of Simonds Custodians Pty Ltd, Simonds Constructions Pty Ltd and Madisson Constructions Pty Ltd, and a beneficiary under each of the relevant trusts

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 1 Family Trust	Level 4, 570 St Kilda Road, Melbourne, Victoria, 3004
Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 2 Family Trust	Level 4, 570 St Kilda Road, Melbourne, Victoria, 3004
Simonds Custodians Pty Ltd as trustee for the Gary Simonds No 3 Family Trust	Level 4, 570 St Kilda Road, Melbourne, Victoria, 3004
Simonds Constructions Pty Ltd as trustee for the Simonds Homes Discretionary Trust	Level 4, 570 St Kilda Road, Melbourne, Victoria, 3004
Madisson Constructions Pty Ltd as trustee for the Madisson Homes Trust	Level 4, 570 St Kilda Road, Melbourne, Victoria, 3004
Vallence Gary Simonds	Level 4, 570 St Kilda Road, Melbourne, Victoria, 3004

Signature

print name **Vallence Gary Simonds**

capacity **Director**

sign here

date **20 November 2014**

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
 - (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
 - (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
 - (4) The voting shares of a company constitute one class unless divided into separate classes.
 - (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
 - (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
 - (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
 - (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.