

SANDON CAPITAL

Sandon Capital Investments Limited

ACN 107 772 467

Level 11, 139 Macquarie Street,

Sydney NSW 2000

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16 September 2014

The Manager

ASX Market Announcements

Dividend Reinvestment Plan Documentation

In the Sandon Capital Investments Limited (ASX:SNC) (Sandon) Appendix 4E and Annual Report released on 29 August 2014, Directors advised that a Dividend Reinvestment Plan (DRP) would operate in respect to the 2.0 cents per share special dividend announced on the same date.

Eligible shareholders will shortly receive documentation inviting them to participate in the DRP. A copy of which is attached.

The DRP rules are available on Sandon's website: <http://www.sandoncapital.com.au/>

Further information:

Gabriel Radzynski

M: 0408 936 357

Sandon Capital Investments Limited

Tel: 02 8014 1188

Fax: 02 8084 9918

Website: www.sandoncapital.com.au

Share registry:

Link Market Services

Tel: 1300 554 474 (toll free within Australia)

Email: registrars@linkmarketservices.com.au

Fax: +61 2 9287 0303

Postal Locked Bag A14, Sydney,

Address: South NSW 1235

Dear fellow Shareholder,

Shareholder Update

Thank you for your continued support of Sandon Capital Investments Limited (Sandon Capital or the Company). I would like to provide you with a brief overview of the investment performance of the portfolio, our inaugural full year results and draw your attention to the Dividend Reinvestment Plan that will apply to the recently declared fully franked 2.0 cents per share special dividend.

Positive Investment Performance

Since the Company began investing on 19 December 2013, the gross investment return for the Company to 30 June 2014 was 3.70%ⁱ and the net investment return was 3.01%ⁱⁱ. During that time, the average cash weighting of the Company's portfolio was 63%, as the Company's capital was carefully deployed into market opportunities.

FY2014 Financial Results Highlights

The Company reported its first full year results since listing in December 2013. The net profit after tax was \$299,108.

The Directors were pleased to declare an inaugural fully franked special dividend of 2.0 cents per share.

Dividend Reinvestment Plan – 2.0% discount

The Dividend Reinvestment Plan (DRP) will apply to this dividend. The DRP will enable eligible shareholders to reinvest all or part of their future dividends in the form of Sandon Capital shares in a convenient and cost-effective way. No brokerage or other transaction costs are payable on the issue or transfer of DRP shares.

The DRP issue price will be at a 2.0% discount to the price calculated as the volume weighted average price of shares sold on the ASX on the ex date for the dividend and the 3 days following that date.

The key dates for the dividend are:

Key Dividend Dates

Announcement date	28 August 2014
Ex-date	14 October 2014
Record date	16 October 2014
DRP Election Date	(no later than) 17 October 2014
Payment date	6 November 2014

Shareholders whose registered address on the Company's share register is in Australia may participate in the DRP.

DRP shares will rank equally with existing fully paid ordinary shares. Holding statements will be provided for each dividend payment that is reinvested when the DRP is in operation.

The DRP will operate in accordance with the DRP Rules which are available in the Investor Relations section of the Sandon Capital website: www.sandoncapital.com.au Alternatively, if you would like to receive a copy, please contact us at 02 8014 1188 or by email at: info@sandoncapital.com.au

Participation in the DRP is optional. To participate, either make your election online at <https://investorcentre.linkmarketservices.com.au/Login.aspx/Login> or complete the enclosed Reinvestment Application or Variation Form and return it to the share registry, Link Market Services.

We recommend that you read the DRP Rules and seek your own specific professional advice regarding participation.

Save the date - AGM and Investor Presentations

The AGM will be held in Sydney on 28 November 2014. We will also be holding Investor Presentations in other capital cities during November and December. You will receive a formal invitation for these events in October, however to assist you in planning your diaries, we've provided, below, the details for each event. I do look forward to seeing you at these presentations.

If you have any queries regarding your shareholding or the DRP, please contact Link on 1300 554 474 or by email: registrars@linkmarketservices.com.au

If you have any questions regarding the Company and its investments, please do not hesitate to contact me either by email (Gabriel@sandoncapital.com.au) or by phone at 02 8014 1188 or 0408 936 357.

Yours sincerely



Gabriel Radzynski
Chairman

Investor Presentation Details

Perth

Thursday 20 November 2014
3.30pm – 4.30pm
Rydges
Cnr King & Hays Street
Perth

Melbourne

Tuesday 2 December 2014
3.30pm – 4.30pm
Rydges
180 Exhibition Street
Melbourne

Sydney – AGM

Friday 28 November 2014
2.15pm – 3.15pm
Wesley Conference Centre
220 Pitt Street
Sydney

Brisbane

Wednesday 3 December 2014
2.00pm – 3.00pm
Brisbane Convention & Exhibition Centre
Cnr Merivale & Glenelg Street
South Bank

Adelaide

Monday 1 December 2014
2.00pm – 3.00pm
National Wine Centre of Australia
Cnr Botanic & Hackney Road
Adelaide

Canberra

Thursday 4 December 2014
2.00pm – 3.00pm
Belconnen Premier Inn
110 Benjamin Way
Belconnen

ⁱ Gross investment return equals total income, including any realised and unrealised gains or losses, interest, dividends and trust distributions less brokerage and before any taxes, management fees and Company expenses.

ⁱⁱ Net investment returns equals gross investment returns less management fees.

MR SAMPLE
<SAMPLE A/C>
123 SAMPLE STREET
SAMPLEVILLE NSW 1234



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REINVESTMENT PLAN APPLICATION OR VARIATION

Please use a **BLACK** pen. Print **CAPITAL** letters inside the shaded areas.

A B C

1 2 3

Where a choice is required, mark the box with an 'X'

X

This form is to be completed where the securityholder wishes to have their payments reinvested under the rules of the Reinvestment Plan.

I/We being the above named holder of registered securities wish to participate in the Plan as indicated below.

I/We authorise the application of the payment to me/us with respect to the number of securities participating in the Plan at the price and subject to the rules of the Plan.

I/We hereby agree to be bound by the rules of the Plan in subscribing for additional securities.

I/We acknowledge that I/we may vary or cancel my/our participation in the Plan, in accordance with the rules of the Plan. This will cancel any earlier Plan instructions and take priority over any direct credit instructions.

Degree of Participation (cross appropriate box):

☐

FULL PARTICIPATION

— Including any further acquisitions.

or

☐

PARTIAL PARTICIPATION —

Please specify the number of securities to participate in the Plan

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SIGNATURE(S) OF SECURITYHOLDER(S) – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Joint Securityholder 2 (Individual)

Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary/Director (delete one)

Director/Company Secretary (delete one)

Date ____/____/____

Signing Instructions: This form should be signed by the securityholder. If a joint holding, all securityholders should sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth) (or for New Zealand companies, the *Companies Act 1993*).

Personal Information Collection Notification Statement: Link Group advises that personal information it holds about you (including your name, address, date of birth and details of the financial assets) is collected by Link Group organisations to administer your investment. Personal information is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. Some or all of your personal information may be disclosed to contracted third parties, or related Link Group companies in Australia and overseas. Your information may also be disclosed to Australian government agencies, law enforcement agencies and regulators, or as required under other Australian law, contract, and court or tribunal order. For further details about our personal information handling practices, including how you may access and correct your personal information and raise privacy concerns, visit our website at www.linkmarketservices.com.au for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 502 355 (free call within Australia) 9am–5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

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