

Sandon Capital Investments Limited

ACN 107 772 467

Level 11, 139 Macquarie Street,

Sydney NSW 2000

T: 02 8014 1188

F: 02 8084 9984

All Registry communications to:

Link Market Services Limited

Locked Bag A14

Sydney South NSW 1235 Australia

Telephone (free call within Australia): +61 1300 554 474

Facsimile: +61 2 9287 0303

ASX Code: SNC

Email: registrars@linkmarketservices.com.au

Website: www.linkmarketservices.com.au

Dear fellow Optionholder,

Exercise your SNC options before 27 May 2015 to receive the 2.0 cent per share fully franked interim dividend

On 25 February 2013, Sandon Capital Investments Limited (SNC) announced its interim result and declared a 2.0 cent per share fully franked interim dividend to be paid on 12 June 2015. This interim dividend plus the special dividend paid in November 2014 represent a 4% fully franked dividend yield, based on the \$1.00 per share exercise price of the options.

The Board has the intention to declare a final dividend in respect of the year ending 30 June 2015, subject to prudent business practice and the Company's ability to do so.

By exercising your options before 27 May 2015, you will be entitled to receive the declared 2.0 cent per share fully franked interim dividend for each SNC share you own as at the record date (3 June 2015) including any new shares issue as a result of the exercise of your options.

The attached exercise form details your SNC option holding and provides instructions on how to exercise your options.

Your SNC options will expire on 24 July 2015. As a result, you have a choice to make regarding your options and it is important that you are informed so you can make a decision that is appropriate for your circumstances.

You have four choices:

1) Exercise your options

This entitles you to subscribe for one SNC share at \$1.00 for each option you own. If you do this before 27 May 2015, you will receive the fully franked interim dividend of 2.0 cents per share for each share you own (including shares held as a result of exercising your options).

Should you choose not to exercise your options before this date, they may be exercised at any time before 24 July 2015. SNC shares will trade ex the 2.0 cent interim dividend on 2 June 2015.

Note that exercising your options does not incur any brokerage costs.

2) Sell your options on market

In the event you choose not to exercise your options, you may wish to consider selling your options on the stock market. Your options are traded on the ASX under the code SNCO. The closing price for SNCO on 12 May 2015 was 0.01 cents per share. You may choose to sell your options on market between now and when the options stop trading on 17 July 2015.

The market value of your options may change between now and the option expiry date of 24 July 2015. The most significant factor that is likely to affect the price of the option is the SNC share price.

Depending on the market price of SNCO, it may well be that for most option holders, selling their options will not be an economic prospect due to most brokers' minimum brokerage amounts.

3) Combination of both

You may exercise some of your options and/or sell some of your options.

4) Do nothing

Your options will expire on 24 July 2015. They will stop trading on the ASX at the close of trading on 17 July 2015. If you do not exercise or sell your options, they will expire. While we can't provide personal advice and you must consider your own investment profile, I would encourage you to consider realising some value from your option holding using one of the alternatives explained above, rather than simply letting the options expire.

How to exercise your SNC options

If you choose to exercise your options, simply complete the attached exercise form and include payment for the number of options you exercise at \$1.00 per share. We've established a BPay facility for your convenience. Alternatively, you can complete the option exercise form and enclose a cheque in the reply paid envelope provided.

SNC Share Price and NTA

The closing share price of SNC shares on 12 May 2015 was \$0.97. The post-tax NTA of SNC as at 30 April 2015 was \$1.012. The NTA has not been diluted for the options on issue. The 31 May 2015 NTA will be announced on or before 14 June 2015.

SNC Dividend

If you chose to exercise your options prior to 27 May 2015, you will receive the 2.0 cent per share fully franked interim dividend on your SNC shares held, including the new shares issued as result of exercising your SNC options.

Important dates

Final day for SNC optionholders to exercise their options in order to receive the 2.0 cent per share fully franked interim dividend	27 May 2015
Dividend ex date	1 June 2015
Dividend record date	3 June 2015
Dividend payment date	12 June 2015

Option Expiry

Last day of trading for SNC options (SNCO)	17 July 2015
Option Expiry date	24 July 2015

We encourage you to make the most of the choices available to best suit your individual circumstances.

If you have any queries regarding your shareholding, please contact Link on 1300 554 474 (free call within Australia) or by email: registrars@linkmarketservices.com.au

Should you have any further questions please call our office on 02 8014 1188 or alternatively my mobile 0408 936 357. Thank you for your support of Sandon Capital Investments Limited.

Yours sincerely,

Gabriel Radzynski
Chairman

SRN/HIN:

Number of Options held
as at 12 May 2015:

Conversion Ratio: 1 for 1

Exercise Price: A\$1.00

Expiry Date: 24 July 2015

Last date to exercise Options to
be entitled to 2.0 cents per Share
fully franked interim dividend: 27 May 2015

NOTICE OF EXERCISE OF OPTIONS

Sandon Capital Investments Limited Share ASX Quotation Prices:

Closing price on 12 May 2015	A\$0.97
3 month high before 12 May 2015	A\$0.99
3 month low before 12 May 2015	A\$0.91

PLEASE COMPLETE BELOW (using block letters) – refer overleaf for details and further instructions on how to complete this form.

I/We apply to exercise the following number of options and make payment in Australian currency drawn on an Australian branch of a financial institution for the amount payable. Please allot me/us Ordinary Shares calculated on the basis of one (1) Ordinary Share for every one (1) Option which I/we exercise. I/We agree to accept such Shares subject to the Constitution of Sandon Capital Investments Limited.

PAYMENT OPTIONS – There are two payment options:

OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. You do **NOT** need to return the acceptance slip below if you elect to make payment by BPAY®. Payment must be received via BPAY® before 5:00pm (Sydney time) on 27 May 2015 to be entitled to the fully franked interim dividend. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Application Form for the number of Options subject of your application payment.



Billers Code: 585653
Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au
© Registered to BPAY Pty Ltd ABN 69 079 137 518

OPTION 2: PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

If paying by cheque, bank draft or money order, complete and return the payment slip below with your payment. No signature is required on the payment slip. The payment slip with your payment must be received by the Registry before 5:00pm (Sydney time) on 27 May 2015 to be entitled to the fully franked interim dividend.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE OPTIONHOLDER AND HOLDING RECORDED ABOVE.

SANDON CAPITAL

Sandon Capital Investments Limited
ACN 107 772 467

Please detach and enclose with payment



SRN/HIN:

A NUMBER OF OPTIONS EXERCISED
(Exercise all or part of SNCO Options)

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at A\$1.00 per
Option Exercised

A\$

B TOTAL PAYMENT REQUIRED
(A\$1.00 per SNCO Option exercised)

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C PLEASE INSERT CHEQUE, BANK DRAFT OR MONEY ORDER DETAILS – Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to “Sandon Capital Investments Limited” and crossed “Not Negotiable”.

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$

D CONTACT DETAILS – Telephone Number

Telephone Number – After Hours

Contact Name

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HOW TO COMPLETE THE NOTICE OF EXERCISE OF OPTIONS

Please complete all relevant sections of this form USING BLOCK LETTERS. These instructions are cross referenced to each section of the notice.

Payment Options

Option 1 – Paying by BPAY®

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information: www.bpay.com.au

Refer to the front of this form for the Biller Code and Customer Reference Number. Payments must be received by BPAY® before 5:00pm (Sydney time) on 27 May 2015 to be entitled to the fully franked interim dividend. If the BPAY® payment is for any reason not received in full, Sandon Capital Investments Limited may treat you as applying for as many New Shares as the cleared monies will pay for. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. Optionholders using the BPAY® Facility will be bound by the provisions relating to this Offer. **You are not required to submit this completed notice of Exercise of Options Form if you elect to make payment using BPAY®.**

Option 2 – Paying by Cheque/Bank Draft or Money Order

Please enter your cheque details in Section C.

Cheques must be drawn on an Australian branch of a financial institution in Australian currency and made payable to "Sandon Capital Investments

Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received.

A. Application for Shares under the Notice of Exercise of Options

You may exercise either part of, or all of, your Options holding. Please write in Box A the number of Options that you wish to exercise.

If you do not indicate the number of Options you wish to Exercise, the Company will exercise as many Options as your accompanying cheque will pay for. The number of Options exercised, however, will not exceed the number of Options that you hold.

B. Total Payment Required for Options Exercise

Please enter in Box B the total amount of the cheque required for the payment of the Options you wish to exercise at the Exercise Price of A\$1.00 per Option.

D. Contact Details

Please enter your contact telephone number so we can contact you regarding your notice, if necessary.

Consequence of non-payment

If a Notice of Exercise and the required payment are not received before 5:00pm (Sydney time) on 27 May 2015, Optionholder will not be entitled to the fully franked interim dividend. Your Options will expire on 24 July 2015. If Notice of Exercise and payment are not received before 5:00pm (Sydney time) on 24 July 2015, the Options will automatically lapse and no longer be available for exercise.

How to Lodge the Notice of Exercise of Options

A reply paid envelope is enclosed for you to return your payment slip. No postage stamp is required if it is posted in Australia.

Mailing Address

Sandon Capital Investments Limited
Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

or

Hand Delivery

Sandon Capital Investments Limited
Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your payment slip and payment allowing enough time for mail delivery, so that Link Market Services Limited receives them no later than 5:00pm (Sydney time) on 27 May 2015 to be entitled to the fully franked interim dividend. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Sandon Capital Investments Limited reserves the right not to process any payment slips received after this date.

If you require information on how to complete this form please contact Sandon Capital Investments Limited on 02 8014 1188 or 0408 936 6357.

If you are unsure as to whether or not to participate in the Exercise of Options, please consult your investment, financial, taxation or other professional adviser.

Personal Information Collection Notification Statement: Personal information about you is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. For details about Link Group's personal information handling practices including collection, use and disclosure, 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.