

2 June 2015

The Manager

ASX Market Announcements

Half Year Shareholder Presentation

The following presentation will be used at the upcoming shareholder updates.

Presentation dates and locations are shown below:

Sydney Tuesday 2 June 2015 10.00am – 11.00am History House 133 Macquarie Street Sydney NSW 2000	Adelaide Wednesday 3 June 2015 10.00am – 11.00am Taylor Collison Level 16, 211 Victoria Square Adelaide SA 5000	Brisbane Friday 5 June 2015 10.00am – 11.00am The Mantra on Queen Ann Room 570 Queen Street Brisbane , QLD 4000
Melbourne Wednesday 10 June 2015 10.00am – 11.00am Royal Historical Society of Victoria 239 A'Beckett Street Melbourne VIC 3000	Canberra Thursday 11 June 2015 10.00am – 11.00am Mantra on Northbourne 84 Northbourne Avenue Canberra ACT 2612	

If you have any questions regarding the Company or its investments, please call Gabriel Radzynski on 02 8014 1188. If you have questions regarding your shareholding, please contact Link, whose details appear below.

Further information:

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Sandon Capital Investments Limited

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Sandon Capital Investments Limited

“Shareholder Activism”

*‘If you want to have...better performance than the crowd,
you must do things differently from the crowd’*

John Templeton

Half Year Shareholder Presentation

June 2015

Important information

This presentation has been prepared for use in conjunction with a verbal presentation and should be read in that context.

This presentation is prepared by Sandon Capital Investments Limited (SNC) for general information purposes only. The information contained in this presentation is for information purposes only and has been prepared for use in conjunction with a verbal presentation and should be read in that context.

The presentation is not a recommendation, offer or invitation by any person or to any person to buy, sell or apply for securities or interests in any company. You should not construe the contents of this presentation as tax or investment advice. No financial product advice is provided in this presentation and nothing in it should be taken to construe a recommendation or statement of opinion that is intended to influence a person in making a financial product decision.

Neither SNC, its manager, Sandon Capital Pty Ltd (Sandon Capital), nor any related or associated companies guarantees the performance of SNC, the return of investor's capital or any specific rate of return. Nothing in this presentation takes into account any person's investment objectives, financial situation or particular needs. You should seek advice before making any investment decision. If you do not have an adviser, we can put you in touch with someone who can help.

The projected results and any forward-looking statements contained in this presentation are not historical facts. They are based on current expectations, speak only as of the date of this presentation, as the case may be, and are susceptible to a number of risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those expressed or implied by such projected results and statements. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of SNC and Sandon Capital. Although we believe that the assumptions underlying any projected results and forward-looking statements are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this presentation will prove to be accurate.

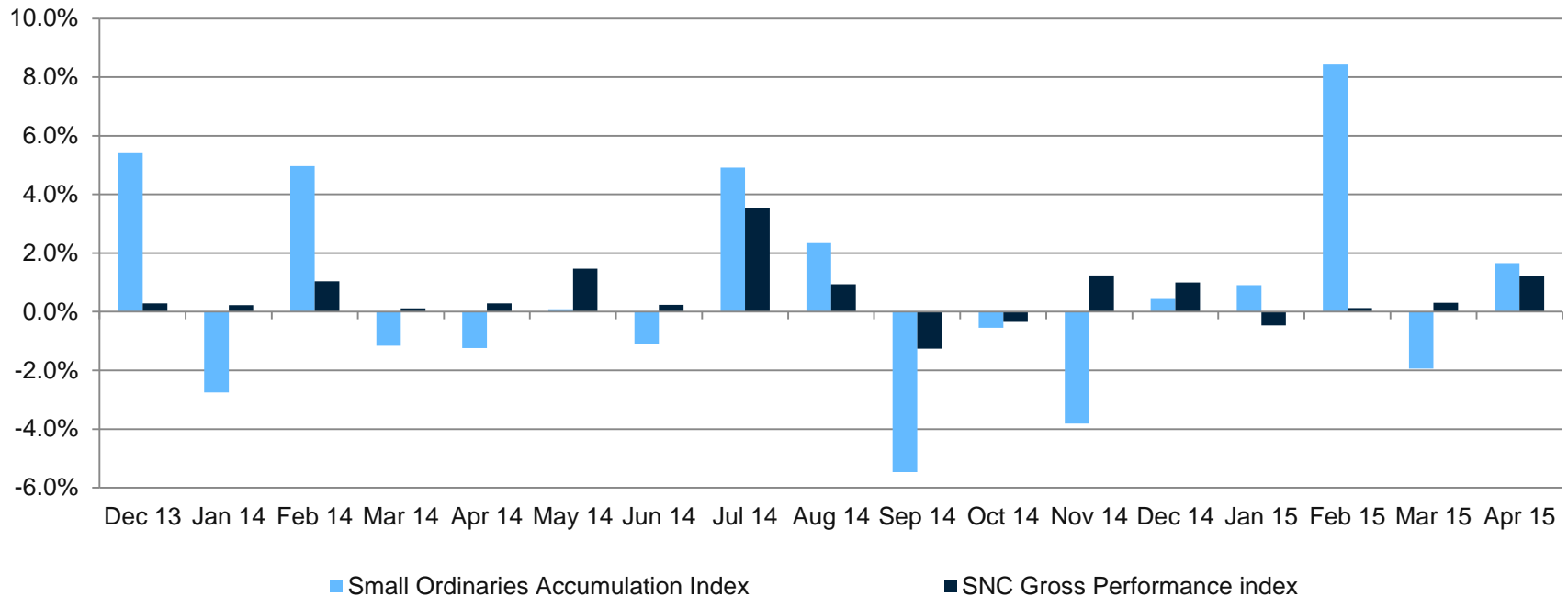
In light of the significant uncertainties inherent in such forward-looking statements included herein, the inclusion of such information should not be regarded as a representation to future results or that the objectives and plans expressed or implied by such forward-looking statements will be achieved. We will not undertake and specifically decline any obligation to disclose the results of any revisions that may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events. In addition, it is our policy generally not to make any projections as to future results, and we do not endorse any projections regarding future performance that may be made by third parties.

Any quoted performance is post fees and expenses but before tax and assumes distributions were reinvested. Dollars are AUD, unless otherwise stated. We are not responsible for the statements made by or attributed to others in this report. Past performance is no guarantee or does not provide any indication of future returns.

Agenda

- Welcome
- Performance
- Investment objectives
- Our activist approach
- Investments
- Capital structure
- About us

SNC Investment Performance to 30 April 2015



Gross Performance to 30 April 2015	Financial YTD	1 yr return	Since inception (annualised)
SNC	6.4%	8.2%	7.4%
Small Ordinaries Accumulation Index	6.4%	5.3%	7.6%
Outperformance	0.0%	2.9%	-0.2%

The SNC and index returns are before all fees and expenses and before any taxes, except that SNC returns are after incurred brokerage expenses. Dividends paid during the period are included when calculating SNC's gross investment performance.

Investment objectives and outcomes

➤ Sandon Capital Investments Limited (SNC) aims to:

- Provide an absolute positive return over the medium- to long-term
- Preserve shareholder capital
- Deliver regular and growing dividends, franked to the fullest extent possible¹

➤ SNC has:

- Provided an absolute positive return since inception
- Preserved and grown shareholder capital
- Provided YTD 4.0 cents per share in fully franked dividends
 - 4.1% yield (5.9% incl. imputation credits)²

1. This is not intended to be a forecast. It is merely an indication of what SNC aims to achieve over the medium to long term (that is, 3 to 5 years). SNC may not be successful in meeting its objective. Any financial market turmoil or an inability by the Manager, Sandon Capital Pty Ltd, to find and make profitable investments will likely have an adverse impact on achieving this objective. Returns are not guaranteed.

2. Assumes \$0.97 cents per share closing price on 29 May 2015.

Our Activist Approach

- We are a 'Value Investor'
- We seek to purchase investments:
 - At prices below our assessment of their intrinsic value and
 - Where we have the opportunity to influence change to realise the value, and
 - Where the value is independent and/or shielded from economic or market conditions
- When making an investment our intention is to actively engage with the company when we consider it optimal
- Our investors capital is precious, we will not put it at risk for the sake of being fully invested
 - We typically hold a significant amount of cash in our portfolios
 - Cash allows us to take advantage of opportunities

Portfolio Holding: Alchemia Ltd (ASX: ACL)

➤ Background:

- ACL was developing a cancer drug delivery platform. The Phase III trials failed to meet the primary end-point.
- ACL also has a marketing arrangement to sell generic fondaparinux through its partner Dr Reddy's Laboratories (DRL). Fondaparinux is an FDA-approved antithrombotic. ACL earned A\$1.25 million as its profit share during the quarter ended 31 Mar 2015.

➤ Value opportunity:

- ACL holds cash and rights to profit share from DRL. Current market price is below our assessed intrinsic value.

➤ Engagement opportunity:

- In January 2015, ACL announced new strategic objectives, including cost cutting. Ongoing operational monthly cash burn was expected to be \$620,000, with a view to reducing this by calendar year end.
- We believe ACL should be preserving cash by radically cutting costs. Cash can then be returned to shareholders.

Portfolio Holding: Armidale Investment Corp. Ltd (ASX: AIK)

➤ Background:

- AIK has been in Sandon Capital portfolios since 2009. AIK is an investment company with interests in equipment leasing (Hal Data Services (HDS)), retail buying groups (Leading Edge) and B2B telco sales.

➤ Value opportunity:

- AIK trades below NTA and below our assessment of its intrinsic value. The potential partial acquisition of asset finance broker/aggregator providing motor vehicle and equipment finance (\$600 million in loans written per annum) would be a positive move.

➤ AIK has investment interests in:

Segment	AIK Exposure	Listed Comparators
Equipment finance	Hal Data Services	Thorn Equipment Finance (Thorn Group), FlexiGroup, Silver Chef
B2B Telecoms sales	Via Leading Edge: 2 x Telstra Business Centres, 7 x Spark retail stores (NZ) + exclusive SME Partner, BT (UK)	Vita Group
Retail buying groups	Via Leading Edge: more than 1000 independent retailers	n/a

Note: comparators are shown to illustrate/compare the businesses to which AIK is exposed. AIK businesses may only be comparable to particular business units within the listed comparators.

Portfolio Holding: BlueScope Steel Ltd (ASX: BSL)

➤ Background:

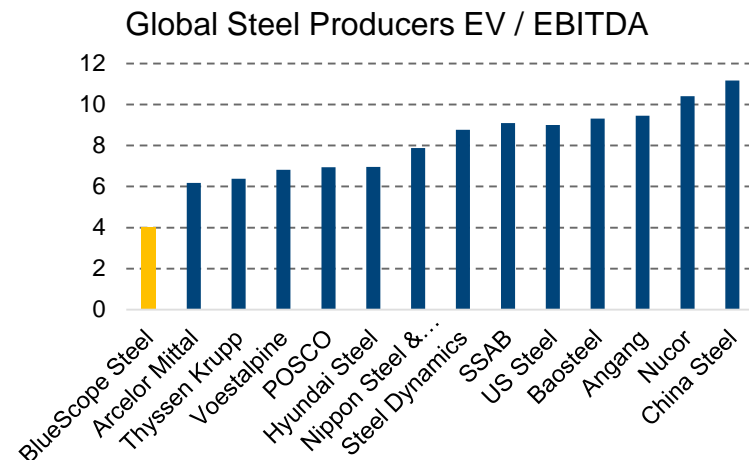
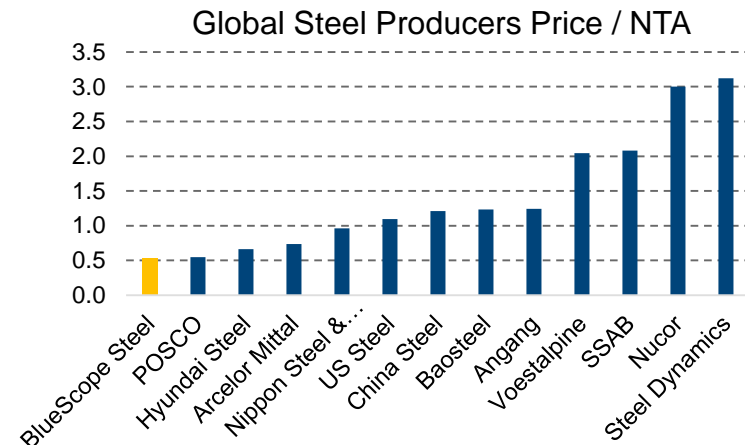
- BSL is a steel manufacturer and distributor. BSL operates in an unloved market sector, particularly by Australian investors.

➤ Value opportunity:

- BSL is significantly cheaper than all other major global steel producers on an asset basis AND an earnings basis
- Given BSL's asset base, Sandon believes that at a minimum, the company should trade at or above the average of global peers

➤ Engagement opportunity:

- We believe management and the board should examine a number of options to ensure that the company's value is reflected in the market price



Source: Company reports, Sandon Capital analysis

SNC Capital Structure

- 1,061,356 options were recently exercise ahead of shares going ex dividend.
- SNC's capital structure now comprises:

Ordinary shares	36,200,048
Options on issue	33,937,644
Option Expiry	24 July 2015
NTA Pre-tax (cum div) ¹	\$1.0068
NTA Post-tax (cum div) ¹	\$1.0121
YTD Dividend Yield ²	4.1%

Notes:

1. NTA figures are as at 30 April 2015.

2. Based on closing share price of \$0.97 on 29 May 2015.

About us

➤ Sandon Capital Investments Limited Directors:

- Gabriel Radzyninski – Chairman
- Matthew Kidman – Non-executive Director
- Paul Jensen – Non-executive Director
- Mark Licciardo – Company Secretary

Role of the Board is:

- governance
- manager oversight, and
- capital management (dividends, issue and repurchase of shares)

➤ Sandon Capital Pty Ltd – the Manager

- Gabriel Radzyninski – Investments
- Campbell Morgan – Investments
- Priya Sharma – Accounting
- Annie Wong – Accounting
- Felicity Toms – Administration

Role of the Manager is to make the investment decisions on behalf of the Company

About Sandon Capital Pty Ltd

- Focus on activist investment and advice
- Established by Gabriel Radzynski in 2008
- Sandon Capital is the investment manager of Sandon Capital Activist Fund, Sandon Capital Opportunities Limited and Sandon Capital Investments Limited (an ASX listed investment company).
- Sandon Capital Activist Fund has delivered net returns of 14.8% per annum since inception in September 2009.

About us

➤ Contacting us:

Enquiries about your shareholding:

Link Market Services:

1300 554 474 (toll free within Australia)

Investment and other general enquiries:

Gabriel Radzyninski:

(02) 8014 1188 or 0408 936 357