

MERCANTILE NZ LIMITED

13 June 2016

Kirkcaldie & Stains Limited
c/- Kensington Swan Lawyers
89 The Terrace
Wellington Central
Wellington, 6011

For: Gerald Fitzgerald

By email: gerald.fitzgerald@kensingtonswan.com

NOTICE PURSUANT TO RULE 26 OF THE TAKEOVERS CODE

Mercantile NZ Limited (**Mercantile NZ**) made a full offer to purchase all of the ordinary shares in Kirkcaldie & Stains Limited it does not already own (**Offer**) under a takeover offer document dated 15 March 2016.

Mercantile NZ gives notice that it has not received sufficient acceptances under the Offer to satisfy the minimum acceptance condition of the Offer and thus the Offer has lapsed in accordance with its terms and conditions and all acceptance forms will be destroyed.

Yours faithfully
Mercantile NZ Limited



Ron Brierley
CHAIRMAN

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