

Disclosure of movement of 1% or more in substantial holding  
or change in nature of relevant interest, or both

*Sections 277 and 278, Financial Markets Conduct Act 2013*

**To** NZX Limited  
and  
**To** Smiths City Group Limited

Relevant event being disclosed: Change in the nature of a relevant interest in a substantial holding

Date of relevant event: 29 July 2016

Date this disclosure made: 1 August 2016

Date last disclosure made: 9 June 2016

**Substantial product holder(s) giving disclosure**

Full name(s): Mercantile Investment Company Limited, Sandon Capital Pty Limited

**Summary of substantial holding**

Class of quoted voting products: Ordinary shares

Summary for Mercantile Investment Company Limited, Sandon Capital Pty Limited

For **this** disclosure,—

- (a) total number held in class: 9,189,853
- (b) total in class: 52,688,153
- (c) total percentage held in class: 17.442%

For **last** disclosure,—

- (a) total number held in class: 7,641,617
- (b) total in class: 52,688,153
- (c) total percentage held in class: 14.504%

**Details of transactions and events giving rise to relevant event**

Details of the transactions or other events requiring disclosure: On market purchases of 774,113 ordinary shares by One Managed Investment Funds Limited as custodian for Mercantile Investment Company Limited on 29 July 2016 for a total consideration of \$493,884.

On market purchases of 774,123 ordinary shares by One Managed Investment Funds Limited as custodian for Sandon Capital Investments Limited on 1 June 2016 for a total consideration of \$493,890.

**Details after relevant event**

Details for Mercantile Investment Company Limited

Nature of relevant interest(s): Beneficial owner (relevant agreement document need not be attached under regulation 139)

For that relevant interest,—

- (a) number held in class: 4,565,884
- (b) percentage held in class: 8.666%
- (c) current registered holder(s): One Managed Investment Funds Limited
- (d) registered holder(s) once transfers are registered: N/A

Nature of relevant interest(s): Agreement with Sandon Capital Pty Limited to act 'in concert' in relation to the power to exercise the right to vote attached to ordinary shares. This agreement was attached to disclosure made by Mercantile Investment Company Limited and Sandon Capital Pty Limited on 27 August 2015 for beginning to have substantial holding.

For that relevant interest,—

- (a) number held in class: 4,623,969
- (b) percentage held in class: 8.776%
- (c) current registered holder(s): One Managed Investment Funds Limited
- (d) registered holder(s) once transfers are registered: N/A

Details for Sandon Capital Pty Limited

Nature of relevant interest(s): Power to exercise, or to control the exercise of, a right to vote attached to ordinary shares and the power to acquire or dispose of, or to control the acquisition or disposal of ordinary shares, by reason of being the investment manager of Sandon Capital Investments Limited.

For that relevant interest,—

- (a) number held in class: 4,623,969
- (b) percentage held in class: 8.776%
- (c) current registered holder(s): One Managed Investment Funds Limited
- (d) registered holder(s) once transfers are registered: N/A

Nature of relevant interest(s): Agreement with Mercantile Investment Company Limited to act 'in concert' in relation to the power to exercise the right to vote attached to ordinary shares. This agreement was attached to disclosure made by Mercantile Investment

Company Limited and Sandon Capital Pty Limited on 27 August 2015 for beginning to have substantial holding.

For that relevant interest,—

- (a) number held in class: 4,565,884
- (b) percentage held in class: 8.666%
- (c) current registered holder(s): One Managed Investment Funds Limited
- (d) registered holder(s) once transfers are registered: N/A

**Additional information**

Address(es) of substantial product holder(s): Level 11, 139 Macquarie Street, Sydney NSW, Australia.

Contact details: Gabriel Radzynski, +61 2 8014 1188, gabriel@sandoncapital.com.au

Nature of connection between substantial product holders: Agreement between Mercantile Investment Company and Sandon Capital Pty Limited to act 'in concert' in relation to the power to exercise the right to vote attached to ordinary shares.

**Certification**

I, Gabriel Francois Radzynski, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.