

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

Note: This form must be completed in accordance with the instructions at the end of the form.

To NZX Limited

and

To Wellington Merchants Limited

Relevant event being disclosed: Change in nature of relevant interest

Date of relevant event: 4 November 2016

Date this disclosure made: 7 November 2016

Date last disclosure made: 27 October 2016

Substantial product holder(s) giving disclosure

Full name(s): Mercantile Investment Company Limited and Mercantile NZ Limited

Summary of substantial holding

Class of quoted voting products: Ordinary shares

Summary for Mercantile Investment Company Limited, Mercantile NZ Limited

For **this** disclosure,—

(a) total number held in class: 2,042,942

(b) total in class: 2,042,942

(c) total percentage held in class: 100%

For **last** disclosure,—

(a) total number held in class: 2,042,942

(b) total in class: 2,042,942

(c) total percentage held in class: 100%

Details of transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure: Mercantile Investment Company Limited became the dominant owner of Wellington Merchants Limited by reason of acceptances received under Mercantile NZ Limited's takeover offer for all of the ordinary shares in Wellington Merchants Limited (**Takeover Offer**). Mercantile Investment Company Limited is the holding company of Mercantile NZ Limited. As dominant owner of Wellington Merchants Limited, Mercantile Investment Company Limited has the power

under the compulsory acquisition provisions in Part 7 of the Takeovers Code to compulsorily acquire all of the shares in Wellington Merchants Limited in respect of which acceptances were not received under the Takeover Offer.

Between 28 October 2016 and 4 November 2016, Mercantile Investment Company Limited became registered holder of 87,183 shares for which it paid \$300,781.35 (\$3.45 per share), as a result of processing transfers of shares under the compulsory acquisition provisions in Part 7 of the Takeovers Code.

Details after relevant event

Details for Mercantile Investment Company Limited

Nature of relevant interest(s): Registered holder and beneficial owner

For that relevant interest,—

- (a) number held in class: 273,555
- (b) percentage held in class: 13.390%
- (c) current registered holder(s): Mercantile Investment Company Limited
- (d) registered holder(s) once transfers are registered: N/A

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

For that relevant interest, —

- (a) number held in class: 80,421
- (b) percentage held in class: 3.937%
- (c) current registered holder(s): New Zealand Central Securities Depository Limited
- (d) registered holder(s) once transfers are registered: N/A

Nature of relevant interest(s): Power to exercise all voting rights in Mercantile NZ Limited as holding company of Mercantile NZ Limited. Mercantile NZ Limited is the registered holder and beneficial owner of the shares.

For that relevant interest, —

- (a) number held in class: 1,688,966
- (b) percentage held in class: 82.673%
- (c) current registered holder(s): Mercantile NZ Limited
- (d) registered holder(s) once transfers are registered: N/A

Details for Mercantile NZ Limited

Nature of relevant interest(s): Registered holder and beneficial owner.

For that relevant interest, —

- (a) number held in class: 1,688,966
- (b) percentage held in class: 82.673%
- (c) current registered holder(s): Mercantile NZ 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 2000

Contact details: Gabriel Radzynski, +64 2 8014 1188, gabriel@sandoncapital.com.au

Nature of connection between substantial product holders: Mercantile Investment Company Limited is the holding company of Mercantile NZ Limited.

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.