



Mercer Group Limited

NZX Release

2 December 2016

Notice pursuant to clause 20(1)(a) of schedule 8 to the Financial Markets Conduct Regulations 2014

1. On 25 November 2016, Mercer Group Limited (NZX:MGL) ("**Mercer**") announced that it was proposing to issue 120,500,000 ordinary shares ("**New Shares**") in MGL to selected investors at an issue price of \$0.01 per share ("**Offer**").
2. The Offer will now be made in reliance on the exclusion in clause 19 of schedule 1 to the Financial Markets Conduct Act 2013 ("**Act**"). This notice is a "cleansing notice" provided under clause 20(1)(a) of schedule 8 to the Financial Markets Conduct Regulations 2014 ("**Regulations**").

Continuous disclosure and "excluded information"

3. As at the date of this notice, Mercer is in compliance with:
 - (a) the continuous disclosure obligations that apply to it in relation to ordinary shares in Mercer; and
 - (b) its financial reporting obligations (as defined in clause 20(5) of schedule 8 to the Regulations).
4. At the date of this notice, there is no "excluded information" (as defined in subclause 20(5) of schedule 8 to the Regulations) that is required to be disclosed for the purposes of the Regulations:

Control

5. There are no potential effects that the Offer and the issue of New Shares will have on the "control" (as defined in clause 20(5) of schedule 8 to the Regulations) of MGL.