

18 October 2017

## Notice pursuant to Listing Rules 7.12.1

Michael Hill International Limited ('the Company') hereby gives notice that it has issued the following Share Rights to employees of the Company in accordance with the approval given by Shareholders at the AGM held on 31 October 2016 and cancelled 1,250,000 expired options.

### Listing Rule 7.12.1

- |     |  |   |
|-----|--|---|
| (a) | Class of Security and ISIN:  | Share Rights and Options  |
| (b) | Number issued, acquired or redeemed:   | 536,551 share rights, 1,250,000 expired options   |
| (c) | Nominal value and issue price, acquisition price or redemption price:  | Nil   |
| (d) | Whether payment was in cash:   | Not applicable  |
| (e) | Any amount paid up:  | In full   |
| (f) | Principal terms of the Securities (other than for Quoted Securities), for example, the exercise price and exercise date in respect of an Option, or the conversion price and conversion date in respect of Convertible Securities or the ranking of the Securities in relation to other Classes of Securities: | <p>The Share Rights are issued pursuant to and on the terms of the Company's Incentive Plan approved by shareholders at the Company's AGM on 31 October 2016 (Plan) and the invitation provided to each Participant (Invitation).</p> <p>Upon exercise, the Company will (subject to the Participant's Invitation) issue, allocate or cause to be transferred to that Participant the number of MHJ fully paid ordinary shares (Shares) to which the Participant is entitled.</p> <p>Shares issued upon exercise of the Share Rights (Resulting Shares) will rank equally with all other shares on issue in that class.</p> <p>225,875 of the Share Rights (Employee Share Rights) are issued on the basis that they are divided into 3 tranches and vest as follows:</p> <ol style="list-style-type: none"> <li>1. Tranche 1 - 25% of Share Rights <ul style="list-style-type: none"> <li>25% of the Share Rights granted to participants will vest if the participant has been continuously engaged under an</li> </ul> </li> </ol> |

Engagement Arrangement (and have not resigned or been terminated) from the grant date to the date which is 3 years from 1 July 2016 (Reference Financial Year).

2. Tranche 2 - 25% of Share Rights

25% of the Share Rights granted to participants will vest if the participant has been continuously engaged under an Engagement Arrangement (and have not resigned or been terminated) from the grant date to the date which is 4 years from 1 July in the Reference Financial Year.

3. Tranche 3 - 50% of Share Rights

50% of the Share Rights granted to participants will vest if the participant has been continuously engaged under an Engagement Arrangement (and have not resigned or been terminated) from the grant date to the date which is 5 years from 1 July in the Reference Financial Year.

310,676 of the Share Rights (CFO Share Rights) are issued on the basis that 100% will vest if the participant has been continuously engaged under an Engagement Arrangement (and has not resigned or been terminated) from the grant date to the date which is 3 years from the Reference Financial Year.

(g)	Percentage of the total Class of Securities issued, acquired or redeemed:	0.13%
(h)	Reason for the issue, acquisition or redemption:	Pursuant to the Company's Incentive Plan as approved by Shareholders at the AGM held on 31 October 2016
(i)	Specific authority for the issue, acquisition or redemption:	Approval by shareholders at the AGM on 31 October 2016
(j)	Terms or details of the issue, acquisition or redemption:	See (f) above
(k)	Total number of Securities of the Class in existence after the issue, acquisition or redemption:	919,102
(l)	In the case of an acquisition of shares by an Issuer which is a company registered	n/a

under the Companies Act 1993, whether those shares are to be held as Treasury Stock:

(m) Dates of issue, acquisition or redemption: 18 October 2017

Yours faithfully

A handwritten signature in dark ink, appearing to read 'M Greaves', followed by a period.

**M A Greaves**  
**Company Secretary**