



12 December 2017

Client Market Services
NZX Limited
Level 1, NZX Centre
11 Cable Street
Wellington 6011

EROAD LIMITED (NZX: ERD): NOTICE OF OFFER OF SAME CLASS FINANCIAL PRODUCTS

EROAD Limited (**EROAD**) intends to undertake a placement offer of at least \$14 million of new fully paid ordinary shares of the same class as already quoted on the NZX Main Board of NZX Limited.

Following EROAD's decision to undertake the placement, NMC Trustees Limited as trustee of the NMC Investment Trust (**NMC Trustees**), EROAD's largest shareholder (with 26% of all EROAD shares on issue), has decided to offer approximately \$5 million of its shares for sale. Steven Newman, the Chief Executive of EROAD, has an indirect interest in the shares held by NMC Trustees. Steven remains fully committed to the EROAD business, and will remain a significant shareholder following the placement. Following the placement, Steven is expected to indirectly hold in excess of 21.5% of all EROAD shares, through NMC Trustees Limited.

Although initiated independently, the placement and the sell down by NMC Trustees (together, the **Offer**) will be conducted contemporaneously such that they will appear to be a single placement.

Pursuant to clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (**FMCA**) and clause 20 of Schedule 8 of the Financial Markets Conduct Regulations 2014 (**FMC Regulations**), EROAD advises that:

1. EROAD and NMC Trustees are making the Offer in reliance upon the exclusion in clause 19 of Schedule 1 of the FMCA and EROAD is giving this notice under clause 20(1)(a) of Schedule 8 of the FMC Regulations.
2. As at the date of this notice, EROAD is in compliance with:
 - a. the continuous disclosure obligations that apply to it in relation to EROAD's quoted ordinary shares; and
 - b. its "financial reporting obligations" within the meaning set out in clause 20(5) of Schedule 8 of the FMC Regulations.
3. As at the date of this notice, there is no information that is "excluded information" within the meaning set out in clause 20(5) of Schedule 8 of the FMC Regulations.

The Offer is not expected to have any effect on the control of EROAD within the meaning set out in clause 48 of Schedule 1 of the FMCA. While NMC Trustees Limited is expected to reduce its shareholding in EROAD, it will retain a significant stake in EROAD immediately following the transactions and is expected to remain the largest shareholder of EROAD.



On behalf of
EROAD Limited

Michael Bushby
Chairman