



30 June 2016

Michael Hill International move to ASX another step closer

The board of Michael Hill New Zealand Limited (previously named Michael Hill International Limited) (NZX: MHI) (the 'Company') advises that the scheme of arrangement ('Scheme') approved by shareholders at the special meeting held on 23 June 2016 and later that day by the High Court was implemented at 6pm (Brisbane time) last night, 29 June 2016.

All persons who were shareholders of the Company on the record date of 5pm on 28 June 2016 (with the exception of a small number of ineligible non-Australasian shareholders) have had their shares in the Company 'swapped' for shares in the new Australian-incorporated company ('MHI Australia') on a one-for-one basis. MHI Australia will shortly be renamed Michael Hill International Limited. It is expected to list on ASX and NZX on 7 July.

An information pack will be sent to all MHI Australia shareholders tomorrow containing a holding statement, which will detail their shareholding in MHI Australia and a dividend election form.

As required by the terms of the Scheme, the Company has sought advice in all jurisdictions where shareholders held more than 100,000 shares. Those jurisdictions were Canada, the United Kingdom, the Netherlands, and Singapore.

Advice has been received that former shareholders of the Company with registered addresses in Canada, the United Kingdom, and the Netherlands are able to receive MHI Australia shares. Those former shareholders will be sent their holding statements and dividend election forms over the course of the next fortnight. The Company also expects to shortly confirm the position for former shareholders with registered addresses in Singapore.

It is still open to non-Australasian shareholders outside of these jurisdictions to satisfy MHI Australia that they are entitled to participate in the share swap. Any shareholder who thinks they may be in this position should contact MHI Australia at the following address:
mhiforeignshareholders@kensingtonswan.com.

As previously announced, the Company will remain listed on the NZX Main Board until market close on Wednesday 6 July 2016. This will enable any appropriate announcements to be made prior to the listing of the new parent entity taking effect. Trading is suspended until market open on Thursday 7 July 2016, when it is expected MHI Australia will become listed and have its shares quoted on the ASX. It will also be listed and have its shares quoted on the NZX Main Board as a Dual Listed Issuer.

As disclosed in section 14 of the Scheme Booklet, the funding arrangement put in place for the transfer of the Group's IP in December 2008 has been unwound and a number of other intra-group transactions have also occurred. These transactions occurred either following the Scheme becoming effective or after implementation of the Scheme. They have no impact on shareholders, but were

required to ensure that to the extent that there were existing franking credits within the Group, they would continue to be available to shareholders in the future.

The Company has also been advised that the Hill family succession plan announced to the market on 23 June 2016 has completed. Interests associated with, respectively, Emma Hill and Mark Hill each hold 19,156,926 shares in MHI Australia or 5.00% of the company. Interests associated with Sir Michael Hill and Christine Lady Hill now hold 164,330,600 shares in MHI Australia or 42.89% of the company.

For further information:

Phil Taylor, CFO +61 413 709066