MERCANTILE NZ LIMITED

27 September 2016

Wellington Merchants Limited Kensington Swan Lawyers 89 The Terrace Wellington Central Wellington, 6011

By email: gerald.fitzgerald@kensingtonswan.com

Rule 49A – Notice of increase in acceptances of offer

Pursuant to Rule 49A of the Takeovers Code, Mercantile NZ Limited (**Mercantile**) gives notice that, as at the end of 26 September 2016, the total level of acceptances of its takeover offer for all of the ordinary shares in Wellington Merchants Limited (**WML**) has increased by 1% or more of the total issued equity securities of WML.

As at the end of 26 September 2016, the total acceptances are now in respect of 1,359,750 shares, comprising 66.558% of the total issued equity securities of WML.

When taken together with the 203,138 shares held or controlled by Mercantile Investment Company Limited (the holding company of Mercantile) prior to the takeover offer, this amounts to 76.502% of the total voting rights in WML.

Yours faithfully Mercantile NZ Limited

Gabriel Radzyminski Director

cc The Takeovers Panel Level 3, Solnet House 70 The Terrace WELLINGTON 6011

By email: <u>takeovers.panel@takeovers.govt.nz</u>

cc NZX Limited Level 1, NZX Centre 11 Cable Street WELLINGTON 6011

By email: announce@nzx.com