MERCANTILE NZ LIMITED

Wellington Merchants Limited Kensington Swan Lawyers 89 The Terrace Wellington Central Wellington, 6011 7 October 2016

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Rule 49A - Notice of increase in acceptances of offer - Final

Mercantile NZ Limited (**Mercantile**) made a takeover offer for all of the ordinary shares in Wellington Merchants Limited (**WML**) in an offer document dated 23 August 2016 (**Offer**). The Offer closed as at the end of 6 October 2016 (**Closing Date**).

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

As at the end of the Closing Date, the total acceptances were in respect of 1,688,966 shares, comprising 82.673% 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 92.617% of the total voting rights in WML.

Once transfers under the Offer are registered, Mercantile Investment Company Limited will be the dominant owner of WML, and will commence compulsory acquisition procedures for the remaining shares in WML.

Yours faithfully Mercantile NZ Limited

Gabriel Radzyminski Director

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