

## **ASX Announcement**

**For Immediate Release**

25 October 2012

### **MCM Entertainment Group Limited (ASX: MEG) Small Shareholder Sale Facility**

The Board of Directors advise that MCM Entertainment Group Limited (MEG) is putting in place a Small Shareholder Sale Facility for holders whose shares have a total value of less than \$500 (less than marketable parcel) as at 24 October 2012.

Please find following documentation sent to eligible shareholders.

**For further information:**

**Andrew Metcalfe**

Company Secretary, MCM Entertainment Group Ltd

T: (03) 9820 3802

[ametcalfe@mcmertainment.com](mailto:ametcalfe@mcmertainment.com)



<Date>

<Shareholder Name>

<Street Address>

<Suburb>

Dear Shareholder,

**This is an important letter concerning your shareholding in MCM Entertainment Group Limited.**

I am writing on behalf of the Board of Directors to advise you that MCM Entertainment Group Limited (MEG) is putting in place a Small Shareholder Sale Facility for holders whose shares have a total value of less than \$500 (less than marketable parcel) as at 7pm on 24 October 2012.

The share register of MEG indicated that at 7pm on 24 October 2012 you hold a less than marketable parcel of shares.

MEG is offering this facility to assist holders of less than marketable parcels of shares to sell at market value without brokerage costs. It will also reduce the expense to the company of maintaining a large number of shareholders with less than marketable parcels.

**Unless you advise MEG by 7.00pm (AEST) on Thursday 6 December 2012 that you wish to retain your shares or you acquire further shares so that your shareholding is worth A\$500 or more, the shares will be sold and you will be sent the sale proceeds.**

The Small Shareholder Sale Facility is being operated in accordance with clause 5.4 of MEG's constitution and the Australian Securities Exchange (ASX) Listing Rule 15.13.

**If you wish to sell your shares under this facility - you need take no further action.**

Your shares will be sold on your behalf by MEG after Thursday 6 December 2012. You will not need to appoint a broker or pay the brokerage and handling costs associated with the sale of shares under the facility. Any tax consequences from the sale of your shares will be your responsibility.

**If you wish to retain your shares - you must complete and return the enclosed Share Retention Form to MCM Entertainment Group Limited, Level 4, 21-31 Goodwood Street, Richmond, Victoria 3121, Australia by 7.00pm (AEST) on or before Thursday 6 December 2012.**

**Facsimile of the Notice will not be accepted.**

If you do not return the Share Retention Form by 7pm on 6 December 2012, your shares will be sold.

If you wish to increase your shareholding to a marketable parcel, you should contact your broker.

If you have a number of holdings which you wish to consolidate, please contact the registry on **1300 850 505** (within Australia) or **61 3 9615 5000** (outside Australia).

For further clarification, please refer to the additional information on the reverse of this letter or contact Andrew Metcalfe, MEG Company Secretary on (03) 9820 3802 (within Australia) or +61 3 9820 3802 (outside Australia).

**If you are in any doubt, or if you require information regarding possible taxation implications from participation in the facility, please consult your legal, financial or taxation adviser.**

Yours sincerely,

**Mr Simon Joyce**  
Chief Executive Officer/Director

## **TERMS AND CONDITIONS OF SMALL SHAREHOLDER SALE FACILITY**

These terms and conditions and the accompanying 'Share Retention Form' set out the terms and conditions by which the Small Shareholder Sale Facility will operate.

### **1. WHAT IS THE SMALL SHAREHOLDER SALE FACILITY?**

The Small Shareholder Sale Facility allows MEG to sell shares on behalf of shareholders who hold less than a marketable parcel (that is, less than A\$500 worth of MEG ordinary shares) on 24 October 2012 ("Small Shareholders").

A Small Shareholder Sale Facility is often implemented by listed companies in response to the disproportionately high registry and administrative costs incurred by the company from maintaining Small Shareholders on its shareholder register.

### **2. DOES MEG HAVE THE RIGHT TO SELL MY MEG SHARES?**

Yes, MEG is entitled, under clause 5.4 of its Constitution and Australian Securities Exchange Listing Rule 15.13, to sell the shares of Small Shareholders, unless they elect to retain their shares, or acquire more shares so that their shareholding is worth A\$500 or more.

Proceeds from the sale must be remitted to Small Shareholders.

### **3. WHAT IF I DON'T WANT MY MEG SHARES SOLD?**

If you wish to retain your MEG shares, you **MUST** complete the 'Share Retention Form' and return it so that it is received by MEG's head office no later than 7.00pm (Melbourne time) on 6 December 2012.

### **4. WHAT ARE THE COSTS OF HAVING MEG SHARES SOLD ON MY BEHALF?**

There are no brokerage or other transaction costs payable by Small Shareholders whose shares are sold under the Small Shareholder Sale Facility. These costs will be borne by MEG. Taxation consequences arising from the sale of your shares under the Small Shareholder Sale Facility will be your responsibility.

### **5. WHAT IS THE LAST SALE PRICE AS AT 24 OCTOBER 2012?**

The last sale price of MEG's shares on 24 October 2012 was \$0.05.

### **6. WHEN WILL MY MEG SHARES BE SOLD?**

Sales of shares will occur on ASX and are expected to occur over a five to ten business day period after 6 December 2012 ("Sale Period").

**7. WHAT WILL I RECEIVE FOR SHARES SOLD UNDER THE SMALL SHAREHOLDER SALE FACILITY?**

For each share sold, you will receive an amount equal to the total proceeds from all shares sold under the Small Shareholder Sale Facility, divided by the total number of shares sold under the Small Shareholder Sale Facility.

**8. WHEN WILL THE PROCEEDS FROM THE SALE OF SHARES BE SENT TO SMALL SHAREHOLDERS?**

A cheque for your proceeds will be mailed to you as soon as practicable after the Sale Period. Payment will be made in Australian dollars.

**9. IF I BUY OR SELL SHARES, WILL I RETAIN MY HOLDING?**

If you sell your shares, any balance remaining on the share register by 7.00pm (AEST) on 6 December 2012 will be sold unless a Share Retention Form is received. If you purchase more shares and your registered holding is less than a marketable parcel by 7.00pm (AEST) on 6 December 2012 then your shares will be sold. For a purchase to be an effective notification that you wish to retain your shares, any additional shares must be registered by 7.00pm (AEST) on 6 December 2012 under the same holder number (SRN or HIN) as set out in this letter.

**10. WHERE CAN I OBTAIN FURTHER INFORMATION IN RELATION TO THE SMALL SHAREHOLDER SALE FACILITY?**

If you have any questions concerning the contents of this letter, please contact Andrew Metcalfe, Company Secretary by telephone on (03) 9820 3802 (within Australia) or +61 3 9820 3802 (outside Australia)

MEG's personnel are unable to provide any securities recommendation or investment advice in relation to the Small Shareholder Sale Facility.

If you are in any doubt, you should consider seeking your own independent advice in relation to the Small Shareholder Sale Facility.



**E Sign here – this section must be signed before we can process this form**

Shareholder 1

Shareholder 2

Shareholder 3

Individual or Sole Director and Sole  
Company Secretary

Director

Director/Company Secretary

Day

Month

Year

TO BE A VALID INSTRUCTION, THIS FORM MUST BE COMPLETED AND RECEIVED BY MCM ENTERTAINMENT GROUP LIMITED NO LATER THAN 7:00PM (MELBOURNE TIME) ON 6 DECEMBER 2012

## How to complete this form

Shareholders who wish to retain their shares must lodge a Retention Form

**A**

### Registration Name(s)

Your name and address as it appears on the register of MCM Entertainment Group Ltd.

**B**

### Number of Shares as at Record Date

This is the total number of shares you held at 7.00pm on 24 October 2012.

**C**

### Retention of Shares

If you would like to retain your Shares, please mark the box on the front of the form and return it in accordance with the lodgement instructions below.

If this form is not received by that time, MCM Entertainment Group Ltd will be entitled to sell your shares.

If you wish to sell your Shares under the minimum holding transfer, you should **not** complete this form.

**D**

### Contact details

Enter the name of a contact person and telephone number. These details will only be used in the event the MCM Entertainment Group has an enquiry regarding this form.

**E**

### Signature(s)

You must sign and date the form as follows in the space provided:

Individual: where the holding is in one name, the shareholder must sign

Joint holding: where the holding is in more than one name, all of the shareholders must sign.

Power of attorney: to sign under the power of attorney, you must have already lodged that document with MCM

this form

Entertainment Group Limited. Alternatively, attach a certified copy of the power of attorney form to when you return it. By signing under a power of attorney, you confirm that you have not been advised that the power of attorney has been revoked.

Deceased estate: All executors must sign and, if not already noted by the registry, a certified copy of probate or letter of administration must accompany this form.

Companies: this form must be signed by either 2 Directors or a Director and Company Secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no Company Secretary, or where the Sole Director is also the Sole Company Director, that Director may sign alone. Please sign in the appropriate place to Indicate the office held.

**Consolidation of shareholdings**

If you have more than one holding on the MCM Entertainment Group Limited register and you do not wish to sell your Shares under the minimum holding transfer, you should consider consolidating them. For further advice in this regard, please contact your broker.

**Lodgement of Form**

If you wish to retain your Shares, this Retention Form must be correctly completed and received by MCM Entertainment Group Limited at the address below by no later than 7:00pm on 6 December 2012.

MCM Entertainment Group Ltd  
Level 4, 21-31 Goodwood Street,  
Richmond,  
VIC 3121  
Australia

MCM Entertainment Group Ltd do not accept any responsibility if you lodge the Retention Form at any other address or by any other means.