

Market Announcement

20 April 2020

Pioneer Credit Limited (ASX: PNC) – Trading Halt

Description

The securities of Pioneer Credit Limited ('PNC') will be placed in trading halt at the request of PNC, pending it releasing an announcement. Unless ASX decides otherwise, the securities will remain in trading halt until the earlier of the commencement of normal trading on Wednesday, 22 April 2020 or when the announcement is released to the market.

Issued by

Dale Allen

Principal Adviser, Listings Compliance (Perth)

20 April 2020

Ms Vanessa Nevjestic
ASX Limited
Central Park
152-158 St Georges Terrace
PERTH WA 6000

By email: tradinghaltsperth@asx.com.au

Dear Vanessa

PIONEER CREDIT LIMITED (ASX: PNC) – REQUEST FOR TRADING HALT

Pursuant to Listing Rule 17.1, I request that the securities of Pioneer Credit Limited (**'PNC'** or **'Company'**) be placed into a trading halt immediately and provide the following information:-

- a) As announced in its update on 14 April 2020, the Company demanded that Project Robin, L.P., an entity part of the group doing business as The Carlyle Group (**'Carlyle'**), withdraw its Default Notice under the A\$ Syndicated Facility Agreement (**'Facility Agreement'**) by 5 p.m. (Perth time) on Friday 17 April 2020. The Company strongly refutes all of Carlyle's claims under the Default Notice.
- b) The Company received a notification from Carlyle on Friday 17 April 2020 that it would provide a response to its withdrawal demand over the coming weekend.
- c) The Company received a 26 page response at 10 p.m. on Sunday 19 April 2020 and has had insufficient time to consider it, however notes that Carlyle has rejected the Company's demand to withdraw the Default Notice and has reserved its rights under the Facility Agreement.
- d) The Company has instructed its solicitors to commence proceedings in the Supreme Court of Western Australia for declaratory relief and other ancillary orders, including but not limited for injunctive relief.
- e) The Company has also provided notice on 19 April 2020 to Robin Bidco Pty Ltd (**'BidCo'**) and Robin HoldCo Pty Ltd (**'HoldCo'**), also entities part of The Carlyle Group, that it terminates, effective immediately, the Scheme Implementation Agreement (**'SIA'**) as released to the market on 5 December 2019 in accordance with clause 15.1(c) on the basis that the Scheme will not become effective by the Sunset Date of 5:00pm (Perth time) on 5 June 2020.
- (f) Following receipt of the Company's notice on 19 April 2020, Bidco and HoldCo provided the Company with a letter claiming that the Company had wrongfully repudiated the SIA and that Carlyle was accepting the wrongful repudiation and exercising its right to

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terminate the contract. Carlyle also put Pioneer on notice that they intend to take further action as necessary.

The Company disagrees with Carlyle's assertions and will vigorously defend any such actions.

- f) Pioneer requests the trading halt to remain in place until the earlier of such time as it makes an announcement to the market in relation to the matters arising with respect to the Facility Agreement and the termination of the SIA, as well as a general Company update, and the commencement of trading on Wednesday 22 April 2020.
- g) Pioneer is not aware of any reason why the trading halt should not be granted or of any other information necessary to inform the market about the trading halt.

Yours faithfully

A handwritten signature in black ink, appearing to read "S. Symmons".

Sue Symmons
Company Secretary