

# Form 603

## Corporations Act 2001 Section 671B

### Notice of initial substantial holder

To: Company Name/Scheme Fleetwood Corporation Limited (ASX: FWD)

ACN/ARSN ACN 009 205 261

#### 1. Details of substantial holder (1)

Name Mercantile Investment Company Limited (ASX: MVT)

ACN/ARSN (if applicable) ACN 121 415 576

The holder became a substantial holder on 12 May 2016

#### 2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary Shares	3,271,558	3,271,558	5.4%

#### 3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Mercantile Investment Company Limited	One Managed Investment Funds Limited as custodian for Mercantile Investment Company Limited	624,159
Sandon Capital Pty Ltd	Power to exercise (or to control) voting power and dispose of securities as investment manager of Sandon Capital Activist Fund and Sandon Capital Investments Limited	2,647,399
Fundhost Limited as trustee of Sandon Capital Activist Fund	National Nominees Ltd as custodian for Sandon Capital Activist Fund	697,928
Sandon Capital Investments Limited	One Managed Investment Funds Limited as custodian for Sandon Capital Investments Limited	1,949,471

#### 4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Mercantile Investment Company Limited	One Managed Investment Funds Limited	Mercantile Investment Company Limited	624,159
Sandon Capital Pty Ltd and Fundhost Ltd as trustee of Sandon Capital Activist Fund	National Nominees	Fundhost Ltd as trustee of Sandon Capital Activist Fund	697,928
Sandon Capital Pty Ltd and Sandon Capital Investments Limited	One Managed Investment Funds Limited	Sandon Capital Investments Limited	1,949,471

## 5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Mercantile Investment Company Limited	12/1/16-11/5/16	\$884,776		624,159

## 6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Mercantile Investment Company Limited	Relevant agreement with respect to the affairs of the Company as detailed in Annexure A
Sandon Capital Pty Ltd	Relevant agreement with respect to the affairs of the Company as detailed in Annexure A

## 7. Addresses

The addresses of the persons named in this form are as follows:

Name	Address
Mercantile Investment Company Limited	Level 11, 139 Macquarie Street, Sydney NSW, 2000
Sandon Capital Pty Ltd	Level 11, 139 Macquarie Street, Sydney NSW, 2000
Sandon Capital Investments Limited	Level 11, 139 Macquarie Street, Sydney NSW, 2000
One Managed Investment Funds Limited	Level 11, 20 Hunter Street, Sydney NSW, 2000
National Nominees Limited	Level 12, 500 Bourke St, Melbourne VIC 3000
Fundhost Limited	Suite 1, Level 9, 70 Castlereagh Street, Sydney, NSW, 2000

## Signature

print name      Gabriel Radzynski      capacity      Director

sign here



date 12/05/2016

## DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg, a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.

- (7) Include details of:
- (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

# SANDON CAPITAL

Sandon Capital Pty Ltd

ABN 98 130 853 691

AFSL 331 663

Level 11

139 Macquarie Street

Sydney NSW 2000

Sir Ron Brierley  
Chairman  
Mercantile Investment Company Ltd  
Level 11, 139 Macquarie Street  
Sydney NSW 2000

12 May 2016

Dear Sir Ron

**Fleetwood Corporation (ASX: FWD)**

We confirm that funds managed by Sandon Capital Pty Ltd (**Sandon**) currently hold approximately 4.4% of the issued shares in FWD.

We understand that Mercantile Investment Company Ltd (**MVT**) holds approximately 1.0%.

The sole purpose of this letter is to set out the terms upon which Sandon and MVT would agree to act in concert with respect to the affairs of FWD.

We propose that Sandon and MVT act in concert in relation to their conduct as shareholders of FWD.

Each party remains free to deal in FWD securities.

Neither Sandon nor MVT wishes to enter into any other relevant agreement with respect to any other matter relevant to FWD's affairs and they should not be considered as associates for any other purpose.

If you agree to the terms outlined in this letter, please countersign this letter.

Yours sincerely



**Gabriel Radzynski**  
**Sandon Capital Pty Ltd**

I agree to the arrangements set out above.



Name: Sir Ron Brierley