

**DISCLOSURE OF MOVEMENT OF 1% OR MORE IN SUBSTANTIAL HOLDING OR
CHANGE IN NATURE OF RELEVANT INTEREST OR BOTH**

(Sections 23 and 24, Securities Markets Act 1988)

Relevant event being disclosed: movement of 1% or more in a substantial holding

Date of relevant event: 3 February 2014

To: NZX Limited

And: Mercer Group Limited ("MGL")

Date this disclosure made: 3 February 2014

Date last disclosure made: 20 December 2013

Substantial security holder giving disclosure

Name(s): Rodger David Shepherd

Contact details: Rodger Shepherd (09 837 7540 – rshepherd@mercercs.co.nz)

Summary of substantial holding to which disclosure relates

Class of listed voting securities: ordinary shares in MGL

Summary for: **Rodger David Shepherd**

For **this** disclosure:

- (a) total number held in class: **30,571,047**
- (b) total in class: **294,321,349**;
- (c) total percentage held in class: **10.39%**

For **last** disclosure:

- (a) total number held in class: **16,285,333**;
- (b) total in class: **276,464,206**;
- (c) total percentage held in class: **5.89%**

Details of transaction and events giving rise to relevant event

Mr Shepherd exercised 14,285,714 options and, upon his instructions, MGL issued 14,285,714 ordinary shares to Whitford Equity Investments Limited on 3 February 2014. The ordinary shares were issued for \$0.07 per ordinary share, for total consideration payable of **\$1,000,000**. Whitford Equity Investments Limited holds 7,285,714 ordinary shares on trust for the benefit of Mr Shepherd and holds the remaining 7,000,000 shares on trust for the benefit of Andrew Henry Maslowski.

Details of relevant interests in substantial holding after relevant event

Details for: Rodger David Shepherd

Nature of relevant interest: Legal and beneficial owner of 16,285,333 ordinary shares; beneficial owner of 7,285,714 ordinary shares held on trust by Whitford Equity Investments Limited; and controller of voting rights of 14,285,714 ordinary shares held by Whitford Equity Investments Limited.

No relevant agreement document needs to be attached under Regulation 11, Securities Markets (Substantial Security Holders) Regulations 2007.

For that relevant interest:

- (a) number held in class: **30,571,047**
- (b) percentage held in class: **10.39%**
- (c) current registered holder of securities: N/A
- (d) registered holder of securities once transfers registered: Rodger David Shepherd with respect to 16,285,333 ordinary shares and Whitford Equity Investments Limited with respect to 14,285,714 ordinary shares.

Additional information

Nature of connection between substantial security holders: N/A

Address of substantial security holder:

Rodger Shepherd
168 Potts Road
Whitford
Auckland 2571
New Zealand

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Act in relation to the securities to which this disclosure relates: none.

Declaration

I, **Rodger David Shepherd**, declare that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.


