

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: A movement of 1% or more in the substantial holding

Date of relevant event: 7 and 8 March 2012

To: NZX Limited

And: Michael Hill International Limited ('MHI')

Date this disclosure made: 8 March 2012

Date last disclosure made: 23 December 2010\*

**Substantial security holder(s) giving disclosure**

Name(s): Durante Holdings Pty Ltd ('Durante')

Contact details: c/- Gerald Fitzgerald, Kensington Swan

04 498 0835

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**Summary of substantial holding to which disclosure relates**

Class of listed voting securities: Ordinary shares in MHI

Summary for Durante:

For **this** disclosure,—

- (a) total number held in class: 202,644,452
- (b) total in class: 382,775,586 (excluding treasury stock)
- (c) total percentage held in class: 52.941%

For **last** disclosure\*,—

- (a) total number held in class: 182,433,020
- (b) total in class: 383,053,190
- (c) total percentage held in class: 47.626%

**Details of transactions and events giving rise to relevant event**

Details of the transactions or other events requiring disclosure under the instructions to this form: On market acquisition of 10,199,859 ordinary shares in MHI on 7 and 8 March 2012, for a total consideration paid of \$10,911,336.67.

**Details of relevant interests in substantial holding after relevant event**

Details for Durante:

Nature of relevant interest(s): Legal and beneficial owner of shares

For that relevant interest,—

- (a) number held in class: 202,644,452
- (b) percentage held in class: 52.941%
- (c) current registered holder(s) of securities: Unknown

(d) registered holder(s) of securities once transfers registered: Durante

**Additional information**

Nature of connection between substantial security holders: N/A

Address of substantial security holder(s):

800 Zilmere Road  
Apsley  
Queensland 4034  
Australia

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

**\*Notes to this disclosure**

On 14 January 2011 Durante made a partial takeover offer for 5% of the voting shares in MHI not already held by it. The offer was declared unconditional on 28 February 2011 and following a scaling process, Durante acquired 10,011,573 ordinary shares in MHI from parties having accepted the offer.

Following completion of the takeover, Durante held 192,444,593 of the ordinary shares on issue in MHI, representing 50.24% of all ordinary shares on issue in MHI.

Due to an administrative oversight, Durante did not release a substantial security holder notice to the market to advise its holding in MHI following completion of the takeover. However, Durante did make contemporaneous market announcements in respect of completion of the takeover as required under the Takeovers Code, including information about the nature and extent of its holding in MHI. At all relevant times, the market was fully informed about the nature and extent of Durante's control of MHI.

**Declaration**

I, Gerald Fraser Fitzgerald, 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.



Gerald Fraser Fitzgerald